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FOUR MONTHS

FIVE ARTICLES BY FREDERIC C. HOWE (1867-1940)

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The Peaceful Revolution

The First of Five Articles on Industrial Democracy in Europe

By Frederic C. Howe

Author of "The City the Hope of Democracy," etc., etc.

IMPENDING change. Such is the impression of six months in Europe. W. H. Seward wrote of the Irrepressible Conflict between the North and the South prior to the Civil War. All Europe speaks of an irrepressible conflict between privilege and democracy. It is not revolution, however; it is industrial and social change. It is obvious in England, Germany, France, Austria, and Italy; it is obvious in the diminutive states of Denmark, Belgium, and Switzerland. It is not revolution, but evolution. It is not class war; it is class disintegration. Nowhere in Europe, unless it be in Russia and Spain, does the chasm yawn or the Gatling gun grimly suggest a reversion to force like that of Colorado, Idaho, Pittsburgh, and elsewhere in this country. There are classes there as there are with us. They control political parties; they resort to respectable corruption; they make use of power to rob the unrepresented by unjust taxation. All this is obvious in England, Germany, and Belgium. Everywhere the long-ascendant feudal class clings tenaciously to its tottering privileges. Everywhere, too, the old feudal order is reaching out for support to the newly created business and financial interests. But everywhere the arrogance, the cohesion, and the self-satisfied assurance of a generation ago are passing away.

The change which is impending is as colossal in its ultimate significance to the human race as was the French Revolution a century ago.

This new revolution is peaceful. There is no Bastille to be destroyed emblematic of the old order. There is no Louis XVI to be sacrificed, no *émigrés* to be expropriated, no coalition buttressed by the divine right of kings standing against the forward movement of democracy. But everywhere old institutions are being

challenged as was the *ancien régime*. They are being challenged not alone by the worker, not alone by the peasant, but by the writer, the artist, the statesman, even by the members of the ruling classes themselves. This impending change cannot be visibly portrayed. It can only be felt. Were so progressive a statesman as Mr. Gladstone to awaken from his sleep and see the morning papers of London and the current literature of the day, he would find little to remind him of the issues which were important to the Liberalism of his time. Were Bismarck to feel the pulse of his people or scan the legislation of the past decade, he would feel that, in offering social reform as a check to Socialism, Germany had been swept into the camp of the proletariat. He would find Ministers speaking a language which he but imperfectly understood. For Germany is expanding like the crust of the earth under the pressure of a volcano, in spite of a Constitution designed in the interests of autocracy and the landed Junkers. In the smaller states, the expansion of industrial democracy is weakening the chains of Church and of State, of privilege and of power, and is preparing the way for a social order whose point of view is different from anything the world has heretofore known.

Compared with twenty or even ten years ago, men are talking a new language. They are thinking new thoughts. They are dreaming new dreams. They only partly know that their language and their dreams are new. These visions do not find expression in Lombard Street, in the Bourse, at a directors' meeting, or in the club. Money-changers have dreamed no dreams from the day they were driven from the Temple by Christ. At most, men of big business have but a subconscious suggestion of the change which is impending, gained from the headlines of

the daily press. But their sons are coming from the universities with a new light in their eyes. Their wives are coming from the cathedral with a new religion from the pulpit. Even the representatives of privilege in Parliament are unconsciously reflecting the new spirit which is in the air.

Democracy, Radicalism, Socialism—the change responds to no name. It is the possession of no party. It is all these things, and it is undermining the old as an Arctic iceberg in mid-ocean is disintegrated by the summer seas. In England the Tory dukes challenge the Liberal party as having embraced Socialism. They invoke the power of the House of Lords to throw out the Budget on the ground that it is introducing Socialism into England; that it is therefore revolutionary, and must be checked. And the Liberal party is forced to accept the challenge. It is forced to defend the pages which it has taken from Socialism and to accept the text-books of Henry George and Karl Marx and expound the philosophy that humanity has a right to the land and the worker a right to labor, a right to be insured from the hazards of industry, to enjoy his old age in self-respect rather than in the poorhouse. Mr. Asquith, Mr. Lloyd-George, Mr. Winston Churchill, are being driven to a defense of their alliance with the Independent Labor party and to the revivifying of Liberalism by an appeal to the elemental precepts of Christianity and to the adoption of a course including the first steps of a big social programme.

Now that a general election has been forced by the rejection of the Budget, England has become a battle-ground in which the old forces of feudalism face the fourth estate of workers much as the landed gentry and the commercial classes faced one another in the contest over the abolition of the Corn Laws. But the new appeal must be on a far different plane, to a far different class, and to far deeper emotions than have ever yet been touched in any Anglo-Saxon country. For the avowed programme of the Liberal party is far more radical than anything that England even dreamed of five years ago; while its hitherto unexpressed and unformulated appeal must, of necessity, call up from the depths

the slumbering aspirations of a great part of the British people.

The issue in England is symbolic of a psychological condition which is universal. There is a yeast in Europe not unlike that of the French Revolution, which changed the face of nations during the early years of the nineteenth century. The English Radicals protested against the visit of the Czar of Russia as a disgrace to the nation. So did the French Socialists. Members of the Labor party in England recently fraternized with the working people of Germany as an evidence of protest against the German phobia of the Tory press and statesmen. Anti-military protests and demonstrations have been held in France, Germany, and Spain. International meetings have been held in the leading countries. It may seem chimerical, but it is within the bounds of possibility that within a score of years the governments of Europe will feel so insecure over the support of their people to any war, except one of resistance to aggression, that a movement towards disarmament will result. Certainly the thought and the declarations of the heretofore inarticulate masses are strongly imbued with the idea that wars have ever been inspired by big business men or by personal ambition, and not by the nation itself. To Socialism, with its 7,500,000 voters, must be accorded a large share of the credit for this peace sentiment which adds a new deterrent to the war lords of Europe. The fear that they may be deserted by the nation and humiliated by their own people is already exercising a wholesome restraint on those who rule.

Europe, too, is making war on poverty. Partly in a fundamental way, to prevent its appearance; partly in a curative way, to soften its consequence. I was in England in 1905, just prior to the general election which returned the Liberal party to power with such an overwhelming majority. The impression I received of that country was one of political deadness, of apathy, of an utter lack of any ideals on the part of either of the old parties, and of hopelessness on the part of the reformers. There was nothing to suggest a deep-seated unrest. There was no pro-

gramme of social reform. Yet in 1905 the Independent Labor party returned over thirty members to Parliament. At the same time there were upwards of sixty advanced Radicals elected on the Liberal ticket. The Liberal Ministry dawdled for a while. It clung to its old Whig traditions. Its instincts were still those of the trading classes. It passed an old age pension bill and cured the disabilities of the labor unions due to the Taff Vale decision, which were accepted by the Lords. It passed an education bill, a temperance licensing bill, a land valuation bill for Scotland, all of which the Lords rejected. And the country acquiesced in it all. There was no undercurrent of resentment such as the action of the Senate aroused in America upon the recent Tariff Bill.

In 1909 the Liberal party sprang what looks like a political *coup* of the first magnitude. Heckled by the Conservative minority and the reactionary press over the inadequacy of its naval programme, the Ministry coupled the building of Dreadnoughts with the land taxes of the Budget—a revolutionary Budget, the Tory says; a great democratic Budget, the Liberal says; a Socialistic Budget, the Independent Labor party believes. A more adequate naval programme as an excuse for taxing the great monopoly estates of the aristocracy was never dreamed of by the Conservative party, which now stands before the country as unwilling to bear its share for the nation's defense. This was an *impasse* scarcely contemplated when the Conservatives sought to stampede a general election and overthrow the Liberals as "Little Englanders." Coupled with this Budget, which has aroused tremendous enthusiasm, Winston Churchill, of the Board of Trade, has presented a comprehensive social programme, which cements the Liberal party more strongly to the working classes and gives to its programme a Socialistic color. This social programme includes labor registry offices or clearing-houses for workingmen; it includes a trades dispute act for disposing of minor difficulties; it involves afforestation and insurance against sickness and accident as well as old age.

In Germany public opinion has been

more articulate in its criticism of the Kaiser and the Budget than at any time in years. The Government fears a dissolution because of the increase in the Socialist vote at the various by-elections. For twenty years Germany has been pursuing a programme of social reform which many aver is a primary cause of her industrial efficiency. Her cities have taken over the public utility corporations; they are building workingmen's homes and encouraging co-operative associations to erect model apartment-houses; they furnish emergency work during the winter months and hard times; they supply free meals to poor school-children, maintain labor registration offices, legal and medical dispensaries, model lodging-houses, and in a hundred ways look after the welfare of the poor. The cities have shifted the burden of taxation on to the well-to-do. The bulk of municipal taxes is taken from incomes. Now the cities are taxing the speculator on the profits which the growth of the community makes possible. They are taking, on an average, nine per cent of the land speculator's profit.

The fear of poverty, the accidents of industry, and old age are relieved by pension schemes. There are schemes for insurance against sickness and loss of work, as well as the most wonderful tuberculosis sanatoriums, convalescent homes, and hospitals upon which tens of millions of dollars have been spent.

Germany leads the world in social legislation. Germany gave modern Socialism to the world, and its philosophy has saturated other classes.

In France the recently deposed Premier Clemenceau was a Socialist. So is his successor, M. Briand, as well as three other members of the Ministry. Radicalism is ascendent in the French Parliament. Its programme is blocked by a Conservative Senate and a lower chamber that is only half-heartedly for reform. But the Ministry is committed to an income tax. It has pledged itself to workingmen's pensions as well as to the extension of the pension system to agricultural, industrial, and other classes. Proportional representation is to be extended to the cities and secular education is to be greatly enlarged. Democracy in France is an

indigenous product. It has certain latent qualities which make it a far different thing from the democracy of England and America. It uses different tools and it moves to abstract principles. And it has none of the burdensome traditions of the individualistic *laissez faire* which affects public opinion and the legislative mind in Anglo-Saxon countries.

It is in the neglected nations of Europe that social reform has made its most positive gains. It is in these countries, too, that the paramountcy of the State is most recognized. Switzerland and Denmark are the most democratic countries in the world. They have demonstrated, not only that the people can rule, but rule far more wisely than their betters. Representative government has shifted more completely to democratic government in these little nations than anywhere else on the globe. Switzerland is ruled by public opinion. It expresses itself through direct legislation. The people propose laws as well as amendments to the Constitution by petition. They vote upon their own proposals just as they elect men to office. In consequence, every man with an idea has a hearing. If he is right enough, and persistent enough, he achieves his end. Almost every great democratic reform in Switzerland has come through the initiative and referendum. Not immediately, it is true; but when the public was ready for it. By these means Switzerland abolished the sale of absinthe and took over the alcohol monopoly. After three attempts it nationalized the railways, and is now operating them better than ever before, and with the idea of service paramount. Through the same instrumentality, Switzerland saved her natural resources. She took control of the water power of the country in the interest of all the people. Private monopoly has been barred. The State itself is to become the purveyor of electric water power. It plans to run the railways by the white coal of the mountain-sides, to supply all industry, to operate the street railways, and to light the cities. Not content with this, Switzerland plans to carry the electric current to the most obscure country district and to relieve the farmer and domestic indus-

try of the drudgery of manual labor. Country roads and houses will be lighted by the streams from the mountain-sides, while the motor will churn the butter, thresh the grain, pump the water, and even relieve the woman along with the man of the most burdensome kinds of agricultural labor.

Switzerland has done more than this. Formerly she knew the boss. Direct legislation has taken his power from him. Formerly there was corruption, both vulgar and respectable. It too has passed away. And now the nation has destroyed monopoly and made the resources of the nation serve the people.

Denmark, too, is a democracy. She maintains a King, it is true; but he enjoys only the shadow of power. Denmark is ruled by peasants who own their own land. Ninety per cent of the farmers own their own holdings. And they work them like a market garden. The State owns the railways and makes them serve the peasant. The State educates the farmer, sends commissions of experts to foreign countries, and stimulates the production of fine stock. It loans money to the individual with which to buy a farm, and through co-operative agencies ninety per cent of the farmers save to themselves the full value of their dairy farms and purchase what they need at wholesale cost.

Democracy in Denmark has made the people among the best educated in Europe. There is no illiteracy there, and extreme poverty has been reduced to a minimum. Denmark is a free-trade country from conviction, in spite of the fact that her farmers were threatened with extinction by the wheat-fields of America. The cost of living is low in consequence, and this little country exchanges its exports with all the world, and buys where it can buy to the best advantage.

All over Europe the ascendancy of the feudal class is tottering. The parties of Liberalism, which were usually parties of the commercial and trading classes, are passing away. They had no ideals to offer and no traditional reverence to sustain their claims. Socialism, on the other hand, both as a party programme and a philosophy of life, is making great headway.

Its methods differ in different countries. In Germany it still holds itself aloof from participation in legislation. It refuses to form coalitions. It remains a militant class-conscious party with a concrete working-class programme.

Its philosophy, however, has saturated the public consciousness and influences ministries and legislation.

In England, France, Denmark, Belgium, and elsewhere the Socialists are opportunists. The Independent Labor party in Great Britain is Socialistic. It is, however, always ready to take the next step, to identify itself with the Liberal party, but, like *Oliver Twist*, ever to cry for more. In Belgium Socialism is making its way up through the cities. A general election is to be held in May, 1910, when it is expected that the Socialist and Radical parties will control the Ministry. Belgium is now in the hands of a Conservative party made up of large landowners and the Catholic Church. The party has been very reactionary. Education has been neglected and social legislation delayed. The programme of Socialism, of one vote for one man, of free secular edu-

cation, of old age pensions, of a reform in taxation, has allied to it an increasing number of business men and the educated classes.

City after city is falling under the control of the Socialists. Copenhagen has been a Socialist city for years. Many of the cities of Belgium are in control of the Socialists. The same is true in Italy. Two members of the Ministry in Switzerland are Socialists. In Austria the Government has been greatly steadied by the formation of a Socialist party, which is the only party not disintegrated by the warring nationalities which compose the Empire.

In the succeeding articles I shall undertake to describe the growth of industrial democracy as well as some of the phases of social and political progress in Switzerland, Denmark, Belgium, and Germany—the development of “white coal” in Switzerland, co-operative farming in Denmark, co-operative merchandising in Belgium, and in Germany the provisions made by the State for the welfare of the working classes.

THE SLEEPING SICKNESS

BY LOUIS L. SEAMAN

Dr. Seaman, the author of this article, has had unusual experience in the study of contagious and epidemic diseases in the East and in Africa. He was Major-Surgeon of a regiment in our war with Spain, was present at the front in the war between Japan and Russia, and has made special studies of unusual diseases in India and elsewhere. He is the author of well-known books such as “*The Real Triumph of Japan*” and “*The Social Waste of a Great City*,” besides being a contributor to medical journals and a recognized authority on unusual phases of medical science.—THE EDITORS.

AFRICA is the paradise of the hunter. Big game is found there in such abundance that the sportsman could easily imagine himself in the zoölogical garden founded by Noah and his cargo from the ark, and that reproduction had there been uninterrupted ever since.

But the Nimrod has no monopoly of the living things found in the vast plains and rivers and jungles. The scientist, the biologist, and the microscopist there find an almost virgin soil for exploration and

study. Enemies of animal life far more destructive than lions and leopards and other predatory beasts flourish in countless numbers and unrestrained activity. The deadly bacillus, the microbe, and the parasite abound under conditions specially favorable for their development and reproduction. In temperate climes the germ of disease or its temporary host or carrier is destroyed by the frosts of winter, but it finds in tropic surroundings a perpetual culture ground for reproduction and dissemination. In our native land the



CENTRAL POWER STATION OF THE ZERMATT AND GORNERGRAT ELECTRIC RAILWAY

The White Coal of Switzerland¹

The Second of Five Articles on Industrial Democracy in Europe

By Frederic C. Howe

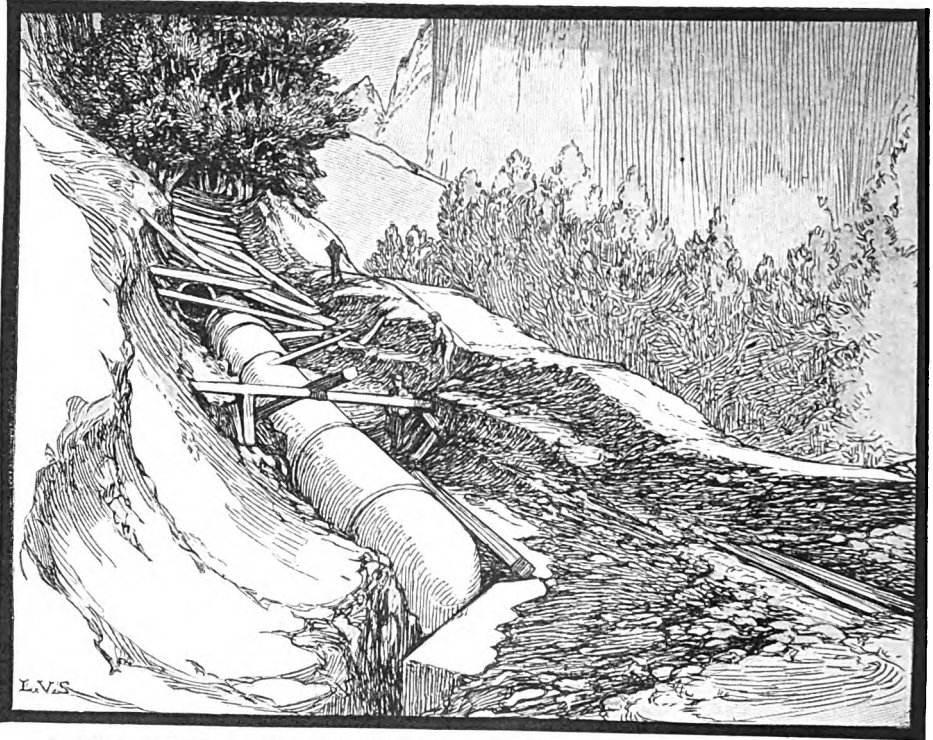
With Drawings by Leon V. Solon

THE little democracy of Switzerland is planning to run the State by the law of gravitation. It is preparing to place a boycott on coal and to operate its railways and its industries, to light its streets, highways, and homes, by the conversion of the boundless water power of the country into electric current. While the rest of Europe is absorbed in thoughts of armaments and of Dreadnoughts, of colonial expansion and of world markets, Switzerland, with an instinct that is quite as unanimous and an intelligence that is the equal of any in the world, is planning to subjugate nature to

the service of the people. The rains from heaven and the glaciers of the mountainsides are to be converted into light, heat, and power.

Switzerland has no coal of its own. The country is dependent upon Germany for its fuel. But Switzerland is the birthplace of the Rhine and the Rhône, the Inn and the Reuss. The country is intersected with innumerable smaller streams which converge into lakes and waterfalls. The streams have a relatively heavy fall and are not very deep. For many years they have been used as a source of water or electric power by the private companies of the country, by the cantons, and by the cities.

¹An introductory article, "The Peaceful Revolution," will be found in last week's Outlook.—THE EDITORS.



LAYING A SUPPLY CONDUIT FOR POWER TO DRIVE THE JUNGFRAU RAILWAY

THE WHITE COAL—A PUBLIC, NOT A PRIVATE, MONOPOLY

The "white coal" of Switzerland is not being exploited by private capital for private gain, as is the case with Niagara, the Susquehanna, and the mountain streams of the Rockies and the Pacific slope. It is being developed by the State for all of the people. That is the great difference between the Swiss democracy and our own. Privilege has but little standing in Switzerland, less standing than anywhere else in the world. Big business men do not control the politics of the country for the sake of business. They do not make the tariff laws, the taxing laws, or the franchise regulations. Nor do they own the railways and the public service corporations. These enterprises are a part of the State and serve the people, just as do the army and the public schools. Here the rights of property seem to be subordinate to the rights of humanity. Property is compelled to serve instead of being permitted to rule.

Switzerland, too, is a country in which

the nation seems to be first in the minds of the people. Not as it is in Germany and in England, where the army and the navy attract the best talent to their service, but in a far different sense. Not only men but the things men own are at the call of Switzerland. It is this that really distinguishes the democracy of these people from the democracy of other lands. The State is paramount, and men co-operate in its service whether in office or out of it; in time of peace with the same honesty and devotion that they do in time of war. And they serve for comparatively little pay and relatively little distinction. Their deeds go unrecorded and in a large measure unrecognized by the public which they serve.

HOW THE SWISS PEOPLE SECURED AND PRESERVE DEMOCRACY

Switzerland is a democracy in the fullest sense of the word. Stranger still, all classes seem to believe in democracy, in the right as well as in the capacity of the people to rule. When the present Constitution was adopted, in 1848, which pro-

vides for a federal form of government something like our own, the people created a pure democracy. They knew the dangers of representative institutions; knew how easy it was for men to serve their own interests rather than those of the public. So they provided a simple expedient by means of which they themselves could always control the Government as well as review the actions of their agents in the legislature. They appreciated that new conditions might arise, that the Government might fall into the hands of a class which would not want the Constitution altered. So they provided a means by which the people could change the Constitution. Not by waiting for Congress to call a convention to draft a new instrument, but by merely filing a petition signed by a certain number of electors asking that an amendment, set forth in the petition, should be voted on at the next election. If a majority of the persons voting on the amendment favored it, then it became a part of the Constitution.

They also provided that the people could propose and enact legislation by proposing a bill and voting upon it themselves directly in the same way. This they called an Initiative. Then they added the Referendum, by means of which laws passed by the Legislative Assembly could be referred to the people when a certain number petitioned for it. Thus the agents of the State always remain agents. The people are not put to the empty alternative of defeating at the polls a man who has betrayed them. They defeat the law which he has tried to enact, before it becomes operative.

It is the Initiative and the Referendum that has made Switzerland a democracy. It is this that has elevated the State above the party. Officials retain their power for good, but have lost their power for evil. For the people of Switzerland are sovereign, and they value their sovereignty much as a King values his prerogatives. And well they may, for direct legislation has destroyed monopoly. By



UTILIZATION OF THE POWER OF THE RHINE AT RHEINFELDEN

The falls at Schaffhausen having been spared for æsthetic reasons, the power generated below the falls is used at this point



VIEW ON RAILWAY FROM ZERMATT TO GORNERGRAT

reason of it the boss has disappeared. He has disappeared because his business of bartering in legislation has been taken from him. There is no bribery and there is no corruption. For men will not buy that which cannot be delivered. The people are the final arbiters in all legislation, and they put the veto on any legislation about which there is the slightest suspicion of graft.

But these are not the chief gains which have come through direct legislation. The man on the street may not be able to tell you the name of the President of the Republic, but he knows a great deal about the laws of the country. He has helped to make them, and every measure that is submitted to the people is thoroughly threshed out before a vote is taken upon it. It was by means of an initiative petition that the people took over the steam railways in 1901. Several previous attempts had been made to do so, but they had been voted down. The people were not yet ready for the experiment. Switzerland also operates the

telegraph, the telephone, and the express business. The manufacture of alcohol is a State monopoly, as is gunpowder, while the cantons have gone into or regulate the banking and the insurance business. By means of direct legislation the sale of absinthe was recently abolished. It had become a menace to the State, so the people put an end to it. It is by means of these tools that Switzerland has become in effect a government of the people, for the people, and by the people.

Now America is copying the simple device. Already Oregon, Maine, Missouri, Oklahoma, the two Dakotas, and other Western States have made direct legislation a part of their constitutional law and are learning how to govern themselves and protect their interests by this means.

HOW THE PRIVATE WATER FRANCHISES ARE LIMITED

It is commonly assumed that democracy is incapable of sustained or accurate thought, and that only through government by experts can the intricate prob-

lems of organized society be worked out. But it is through democracy, and not through experts, that Switzerland has achieved its great reforms. It was by means of direct legislation that the water power of the country was placed under federal control. Up to 1908 the cantons, which correspond roughly to our States, made such grants and regulations as they chose. Concessions were made to the cities, to the townships, to co-operative associations, to private companies, or the power was developed by the cantons themselves. There was a conflict of jurisdiction, a great waste in investment, and an inadequate development of the power. In these grants by the cantons, however, the public rights were carefully guarded. In many instances the cities or the cantons subscribed for stock in the private companies and converted them into virtual public undertakings. There are no grants in perpetuity to the first comer on the plea that it is a good thing to have the power developed, as has been the case with the franchise grants of our cities and the water power of the West. The laws of the canton of Berne, for instance, state that all concessions are public, and must not be injurious to the public welfare or in any way disfigure the natural beauty of the country; that in all applications for use the public authorities must be given the preference, and that any grants made to private companies are subject to the right of purchase by the community. In addition the companies have to pay handsomely for the privileges which they enjoy. The tax upon the right to use the water ranges from 60 cents to \$1.60 per horse-power authorized in the grant, while the company is required to pay a tax of from 20 to 60 cents for each horse-power generated for sale. These taxes are in addition to the regular taxes paid by other property to the canton and the local authorities.

THE TRANSFER OF WATER RIGHTS TO THE FEDERAL GOVERNMENT

Ever since 1891 there has been an agitation for the transfer of the control of the water rights from the cantons to the Federal Government. But nothing came of the agitation, as the jealousy of the cantons prevented the adoption of an amend-

ment to the Constitution. In 1901, however, the Federal Government took over the railways. Since that time there has been a great development in the use of the power, and the movement has gained headway for the electric equipment of the railways. In 1907 a petition was circulated offering an amendment to the Constitution transferring control of the water power to the Federal Government. It obtained 95,000 names, or 45,000 more than was necessary to submit the amendment to the people. Moved by this showing of interest, the Federal Council itself drafted an amendment which was satisfactory to the petitioners. It was referred to popular vote in October, 1908, and was overwhelmingly adopted.

Following the adoption of the amendment commissioners were appointed for the study of the engineering and financial problems involved as well as for the drafting of laws for carrying the amendment into effect. The work of the commissioners is well under way. The programme which is suggested is a most comprehensive one. It involves the erection of great central generating stations upon the leading rivers, which will generate power in bulk for use by the cantons, cities, and villages. This power will be used by the Government for the electric equipment of the steam railways, which require about 250,000 horse-power. By this change it is estimated that the cost of operating the railways will be reduced by one-third. The commission has estimated the water of the country available for immediate use at one million horse-power, while twice that amount can be developed by the construction of canals and storage reservoirs. The electric-hydraulic power generated in 1903 amounted to 206,800 horse-power, and this, together with the power required by the railways, would consume only about one-half of that which is already available. So that a wide margin exists for future development.

Out from these central generating plants high tension cables will carry the current to every section of the country. It will be sold in bulk to the cantons, cities, and local communities, as well as to private companies, which will build their own distributing systems and carry the current to the local consumer.

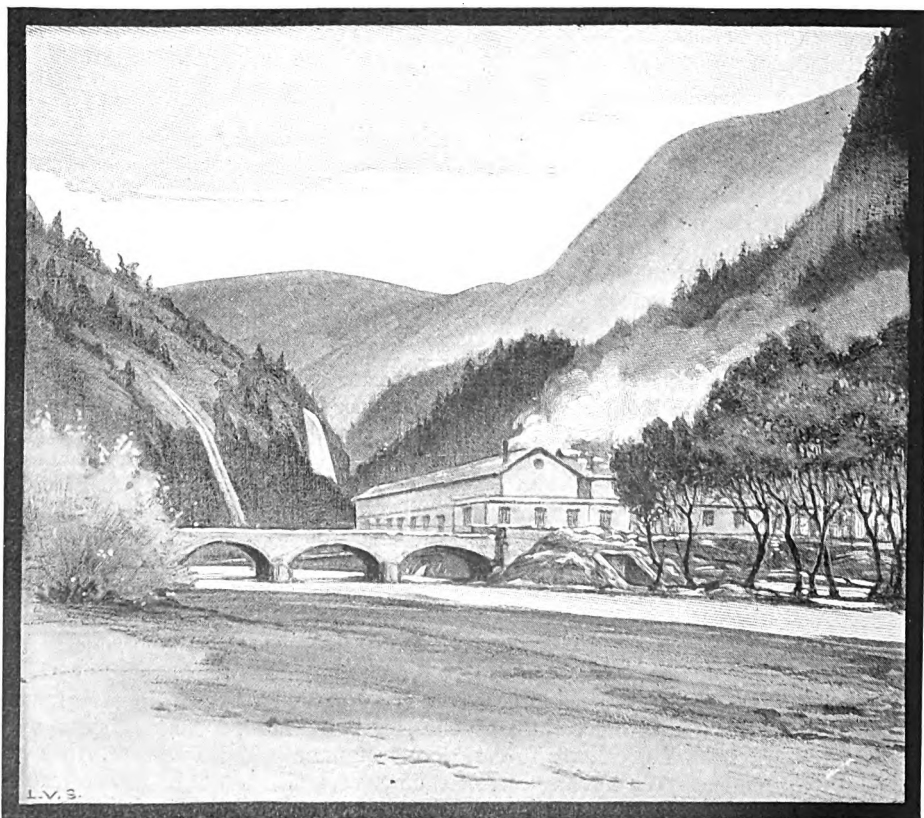
EXTENT OF WATER POWER DEVELOPMENT

There is little that is experimental in all this. Switzerland has been utilizing the "white coal" of the mountain-sides for over twenty years. Over \$49,000,000 has been invested in hydraulic undertakings. Fully seventy per cent of the power generated is already owned by public authorities or is under public control through the ownership of stock in the private companies. There are at least six large cantonal plants and many big city installations. The city of Zurich is erecting a plant on the River Albula ninety miles distant from the city, which, when completed, will have a capacity of 24,000 horse-power and be capable of being greatly enlarged. The city and the canton of Basel, which are identical in territorial jurisdiction, are erecting a plant on the River Rhine, while the cantons of Berne and Schwyz are building great artificial lakes, one of them alone being adequate for 60,000 horse-power. Prac-

tically all of the engineering difficulties have been overcome. From these plants the current is carried without loss for a hundred miles, while in Italy it is distributed five or six hundred miles to users.

In the year 1903 there were 869 different plants using power generated by water. These plants ranged all the way from the miniature installations with a few horse-power up to the huge plants of the cantons and the cities with a capacity of twenty or thirty thousand horse-power. Of these, 350 furnished light alone, 96 furnished power alone, 230 furnished light and power, and 32 supplied street railways. Practically all of the street railway and the great bulk of the industrial energy now comes from water power. In the year 1903 fully ninety-five per cent of the electrical power of the country was generated by water.

The use of electricity is likely to become almost as universal in the country as it is in the cities, as both the



TYPICAL SWISS HYDRO-ELECTRIC GENERATING STATION

cantons and the villages have co-operated to stimulate its use and cheapen its cost so that it will be available for even the poorest. That is one of the anomalous things about Switzerland. The leader of the movement which led to the adoption of the amendment to the Constitution, Dr. Oscar Wettstein, editor of the Zurich "Post," and one of the members of the Federal Commission for the study of the question, said to me, "The State must so distribute the power that every citizen shall have his share." It is not industry, it is not the electrical equipment of the railways, it is not the cheapening of the cost of operating the street railways which the cities own, that is paramount; the motive of the movement is to relieve the lives and the daily toil of the poorest and most obscure peasant of the countryside.

This is not a dream. It is already being done. It is but indicative of the seriousness with which these people view democracy and its obligations to the people. The public authorities have already carried electric power into the most obscure villages, to the cottage and the barn of the poorest peasant farmer. Over ninety per cent of the townships have light and power at their doors, and more than two-thirds of the people have them available for their use. Not only are the cities lighted by electric power, but the smallest villages and country districts as well. In some cantons the country roads are lighted for miles and miles. In time all of Switzerland will be illuminated by means of the water power of the mountain-sides, which has always been a source of beauty, but which now has become the greatest single asset of the country. But the Swiss are not content with operating their State-owned railways and city-owned street railways, with the lighting of the city and even the country districts with water power, they are not content with abolishing the steam boiler and the substitution of electricity for coal; they are planning to serve the poorest peasant as well. Switzerland is a country where domestic industry still survives. The cantons of Zurich and Basel are centers of the silk and silk ribbon industry. In the country districts the loom is to be found in almost every home. Lace, embroidery, and watch-making are still to a large extent home

industries. The looms and the machines are operated by hand. For manual labor the electric motor is being substituted. A similar development, although not so rapid, is taking place on the farm. Grain is being threshed, milk is being churned to butter, water is being pumped, food for the cattle is being prepared, and the farmer is being relieved of his most arduous labor. There are no limits to the uses to which electric power may be applied save the amount of power which may be generated and the cheapness with which it may be transmitted.

THE SAVING TO BE EFFECTED

The saving which will follow the development of electric power by the State will be tremendous. The cost of water power installation runs from \$60 to \$200 per horse-power, depending upon the size of the plant and difficulties of installation. The average cost is about \$120. Dr. R. de Diesbach, of Freiburg, has calculated the relative costs of steam, gas, petrol, and water electric power on a basis of a four horse-power motor, 3,000 working hours a year. The cost includes interest on investment, depreciation, amortization of the debt, and actual operating cost. The comparison of construction and operating cost is as follows:

CONSTRUCTION COST			
Steam.	Gas.	Petrol.	Water Electric Power.
\$657	\$475	\$465	\$191
COST PER HORSE-POWER HOUR			
5.46 cents	3.99 cents	3.08 cents	1.59 cents

To state the matter in other forms: Dr. Oscar Wettstein, the editor of "Wasserkraft," a journal devoted to the subject of water power, estimated for me that electricity generated by water power costs from .0015 cent to .01 cent per kilowatt hour at the station, while electric power generated by steam from coal costs from 2 cents to 2.4 cents per kilowatt hour at the station. On this basis the generation of electricity from water power will cut down the light and fuel bills of the people from fifty to ninety-five per cent, and will place Switzerland at a tremendous advantage in the struggle for the markets of the world.

But the freeing of the country from

dependence upon the coal-fields of Germany, the reduction in the operating costs of the State-owned railways and the city-owned street railways, the placing of Switzerland in a position of industrial advantage, are not the greatest gains which are to follow. Possibly these are but the spectacular exhibits of what a country can do when it consciously aims to use its resources for the benefit of the people. These gains do not include the dreams which men have of the life and civilization which are to follow from this revolution in light, power, and possibly heat as well. They do not include the freedom from drudgery, the opportunity for culture and enlightenment, the brightening of farm life, of the woman as well as the man. Nor do they suggest the possibilities of a cheap rapid transportation, by means of which the farmer may become a city dweller and the clerk and the mechanic obtain a country home, and both remain in close contact with their work. For the problem of energy is the problem of civilization, and, with its costs reduced to a minimum, there are no limits to the visions which men may have of the society of

to-morrow. Compare this achievement of Switzerland with the prodigal waste of the resources of America. Niagara has been abandoned to private exploitation without compensation to the State or the Nation, and with no idea of service to the people. Only profits have been fattened and monopoly made that much more secure. The Susquehanna, upper Mississippi, the mountain streams of Colorado, Wyoming, and the Middle West, as well as of the entire Pacific slope, have been inclosed with fraudulent claims or confirmed by grants in perpetuity to the electric power trust. There has been no reservation of control over prices, no right to purchase by the State, and no appreciable gain to the community. We, too, could boycott coal, and light the Nation and fire its boilers with the water power with which Nature has endowed us; but the sovereignty of the State and the well-being of the people have been abandoned at the behest of the powerful interests whose demands have been voiced in Congress and the legislatures of our States by those who were sent there to represent the community.

The third article in this series, "A Commonwealth Ruled by Farmers," will appear in the March Magazine Number of The Outlook

IN THE KAISER'S WORKROOM

A friend translates the following from a German newspaper for The Outlook :

In the workroom of the Kaiser are the following sentences, so arranged that he has them always before him when sitting at his desk :

Be strong in pain.

To wish for anything that is unattainable is worthless.

Be content with the day as it is ; look for the good in everything.

Rejoice in nature and people, and take them as they are.

For a thousand bitter hours console yourself with one that is beautiful.

Give from your heart and mind always the best, even if you do not receive thanks. He who can learn and practice this is indeed a happy, free, and proud one ; his life will always be beautiful. He

who is mistrusting wrongs others and harms himself.

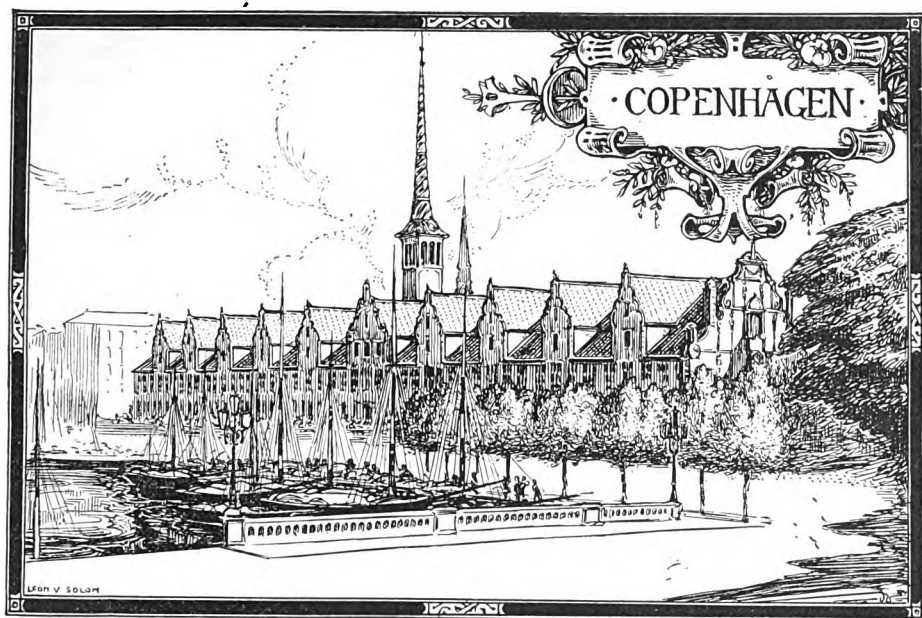
It is our duty to believe every one to be good as long as we have not the proof to the contrary ; the world is so large and we ourselves so small that everything cannot revolve around us.

If something damages us, hurts us, who can tell if that is not necessary to the welfare of creation ?

In everything of this world, whether dead or alive, lives the mighty wise will of the almighty and all-knowing Creator ; we little people only lack the reason to comprehend it.

As everything is, so it has to be in this world, and, however it may be, should always seem good to the mind of the creature.

These sentences give one an insight into the thoughts of the Kaiser.



A Commonwealth Ruled by Farmers

The Third of Five Articles on Industrial Democracy in Europe

By Frederic C. Howe

With Drawings by Leon V. Solon

DENMARK is a farmer State. It has a farmer Parliament, a farmer Ministry, a farmer point of view. Its legislation is that of the farmer too.

Most countries are ruled by a class. It may be by a landed aristocracy, it may be by a commercial oligarchy. And most people accept the rule of a class as the most natural thing in the world. In Denmark the people really rule, and they rule in the interest of a larger percentage of the people than in any country I know, unless it be in Switzerland. The Danish peasant is the direct antithesis of the English peasant, who wants to be ruled by a lord. The peasant in Denmark wants to be ruled by a peasant like himself. Nor does he intrust his Government to members from the cities, to the lawyers,

or to the large landowners. Denmark is suspicious of Copenhagen, its largest city. Denmark distrusts the lawyer, and the landed aristocracy is only permitted to protest. Copenhagen does not like the rule of the peasants. The permanent official seems to be ashamed of it, and the King employs himself busily in social and personal functions, with the most shadowy powers and with practically no influence on legislation.

The State of Denmark is a peasant democracy. Its ruling class is the small farmer possessing from forty to sixty acres of land, and with an outlook on life that is exclusively agricultural. The present Minister of Agriculture was a workingman whose business was that of thatching roofs. Three or four other members of the

Ministry are small farmers, while all of the Cabinet owe their position to the peasant majority.

COPENHAGEN—A SOCIALIST CITY

While Denmark is a peasant commonwealth, Copenhagen, its capital city, with a population of 500,000, is a Socialist municipality. The Socialists have controlled the administration of the city for years. Strangely enough, they have made but little change in the traditions of the city or the programme of the men who preceded them. And Copenhagen accepts its Socialist administration with much more equanimity than it does its peasant Parliament. A Parliamentary election took place while I was in Copenhagen, and the dominant issue with Conservative and Radical alike was that of militarism. Should the country be fortified and garrisoned, or should it protect itself by being unarmed and peaceful? The result of the election was not conclusive. The strange thing about the campaign was that the landed and commercial classes agreed in advance to bear the cost of the military programme by means of a progressive income tax. Ordinarily, war and the preparations for war are paid for by consumption taxes borne by the poor, by those who also offer their lives at the front.

On other questions party lines are not very acutely drawn. There is no strong business interest about which to form another party. One would expect an alliance between the peasant and the Socialist. But such is not the case. Both the Socialist and the peasant seek the political support of the *Hussman*, i.e., the very small landowner, of whom there are 130,000 in the country, and who up to the present time have kept the peasant class in power. There are also the agricultural laborers. They form the lowest rung in the social ladder, with the great estate owner at the top, the peasant farmer in the middle, and the *Hussman* and the farm laborer at the bottom.

THE DANISH PEOPLE

Denmark is nearly twice the size of Massachusetts. It has about the same population, 2,500,000. The Danes are pure Teutons and Protestants. But they are light-hearted, café-loving, and in no

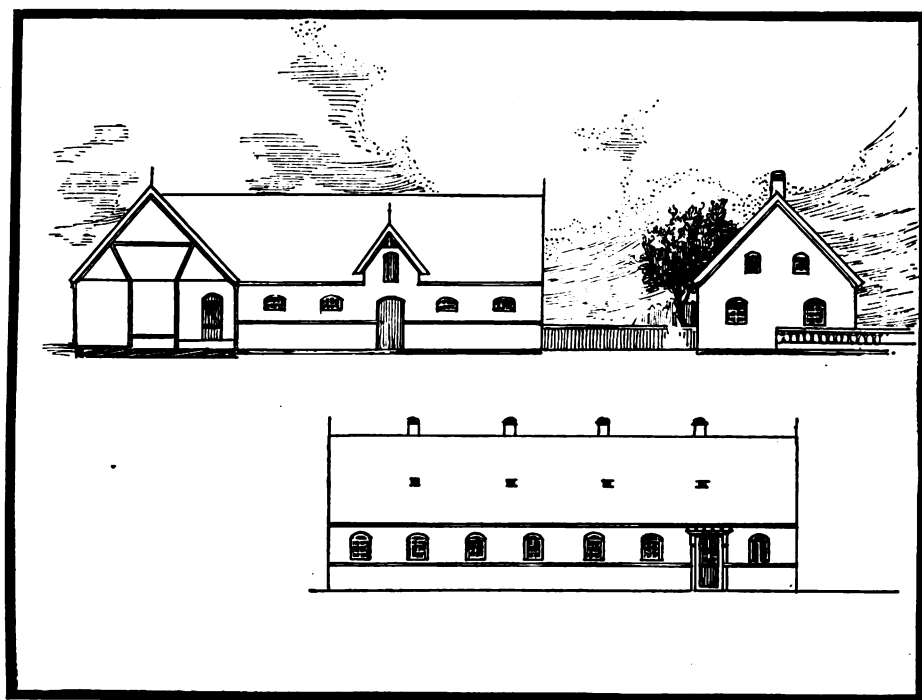
sense intolerant or Puritanical in their religion, which is State Lutheran. They are among the most universally educated people in the world. There is practically no illiteracy here. And there is but little poverty. There were thousands of men out of employment in Copenhagen during the recent hard times, but there are no slums such as we have, and little apparent misery. Wages are relatively high, and the standard of living is much above that of most sections of Europe. There is not that degraded condition which one sees in England, Belgium, or even in Germany.

THE CAUSE OF WELL-BEING

One would not expect this. For Denmark is a rather unfertile spur of northern Europe. The land is far from rich, the climate is not of the best, and the winters are very long. But the Danish peasant owns his land. Denmark is a country of peasant proprietors. This is the economic framework of his civilization. The traditions of the country are those of home-owners. The land of England, Prussia, Russia, and Belgium is still in the hands of feudal overlords. It is worked by tenants or by hired labor. But the Danish peasant is his own landlord, and he has made use of the Government to promote the acquisition of land by the people.

About 1850 credit societies were organized which supplied capital to the peasants with which to buy land. These societies took long-time mortgages, running from fifty to one hundred years. Under these contracts the peasants pay off both the principal and the interest in installments. Most of the peasants chose the long-time mortgages, and are still making payments upon them. The rate of interest, including amortization charges, is generally four per cent, and the period of the mortgage and the terms of payment and administration free the peasant entirely from any fear of his creditor.

In 1899 and in 1904 the State stimulated this movement still further by laws that enabled the small peasants to borrow money from the State treasury with which to buy a holding. Under this law the value of the land is limited to about \$1,600, and the size of the estate so pur-



PLAN FOR DANISH FARM BUILDINGS

All farm land in Denmark is valued for assessment on the basis of the average annual crop which the land is capable of yielding. These plans are for a farm estimated at 60 tonder, the tonder being the standard measure of farm value. The Government experts are very accurate in their calculations as to the fertility of land, making minute chemical analysis of the soil, and taking into consideration any exceptional conditions likely to be encountered by the farmer

chased ranges from eight to twelve acres. Only one-tenth of the purchase money need be found by the purchaser. The State advances the other nine-tenths and charges the peasant four per cent, one per cent of which is to repay the loan. This law was expected to create a great demand for small estates, but up to the end of 1907 only about three million dollars had been advanced under it and 3,175 farms purchased, the average loans of the State being less than one thousand dollars. The effect of the law was to increase the value of the land of the large estate owners, just as has the Small Holding Act in Great Britain. But the general effect of the legislation and of the mutual credit societies has been to check the movement of the people away from the land. Denmark is almost the only country where this is true.

PEASANT PROPRIETORSHIP

There is very little tenancy in Denmark. Over 89 per cent of the farmers own their farms. They work their own hold-

ings. Only about 11 per cent are tenants. In America the percentage of farm ownership is very much less. In 1900 only 64.7 per cent of our farmers owned their farms. More than one-third were already tenants. And ownership in Denmark is widely distributed. According to the latest published statistics, the land is divided as follows :

Size of farms.	Number of farms.	Total number of acres in the class.
Less than 1½ acres....	68,000	25,000
From 1½ to 13½ acres..	65,000	450,000
From 13½ to 40 acres...	46,000	1,150,000
From 40 to 150 acres....	61,000	5,900,000
From 150 to 650 acres..	8,000	2,100,000
More than 650 acres....	822	1,150,000

The total number of farms is 250,000, with a cultivated area of over ten million acres. The very large farms are survivals of the old feudal estates. They comprise about one-tenth of the total agricultural area. These estates are not worked on the tenant basis, but by hired labor, which, by reason of the ease with which the peasants secure land, is difficult to obtain. In consequence the land-

lords import foreign laborers from Poland, who work on the estates during the summer months and return home during the winter.

By reason of this fact the large owners have co-operated in the development of peasant proprietorship. They sell their lands and accept in return the credit securities of the farmers' loan societies or money advanced by the State. But while the net result of this is good, and while the peasant is infinitely better off from every point of view than the agricultural tenant of other countries, still he is heavily burdened with debt. The land of Denmark is said to be mortgaged up to fifty per cent of its value, a great part of the mortgages being held by German investors, to whom the Danish peasant is paying over one hundred million dollars a year in interest. Moreover, the changes brought about in agriculture in recent years have involved heavy expenditure for machinery for dairy and farm purposes, which has still further increased the indebtedness of the peasant.

There are three things which make Denmark unique: The first is the system of peasant ownership; the second is the co-operative movement, which is well-nigh universal; and the third is the political supremacy of the peasant class in politics. The second and third causes are, however, due to the first. For home ownership lies at the root of the Dane's success.

THE SECRET OF HIS SUCCESS

The Dane is the best farmer in the world. The secret of his success is intensive cultivation. The land is minutely divided, the average size of the farms of the first five classes, which comprise nine-tenths of the land, being thirty-nine acres. A man on four acres, the *Hussman*, will make a decent living for himself and for his family. He will have three or four cows and possibly fifteen pigs. He will produce his own vegetables and some eggs and poultry.

The hundred thousand peasants with farms ranging from $13\frac{1}{2}$ to 150 acres, who own about seven-tenths of the land, live very much better. They work their farms partly with hired labor, are well educated, and devote a lot of time to

politics and the co-operative undertakings with which they are connected. They are the ruling class in the State, and are as wise as the traditional Jew and as canny as the Scot. They control the politics of their district and are ascendent in Parliament as well. They know all about the most technical agriculture, are familiar with prices current, are rather skilled mechanics and good chemists. They are saturated with a knowledge of agriculture, and are not consumed with the ambition to be rich or to acquire more land. Their only ambition is to be good farmers. They take an active and constant interest in the thousands of co-operative societies, in the various savings and credit institutions, and are familiar with all of the laws which bear upon their business.

DENMARK A MARKET GARDEN

The Dane has made his land a dairy farm. Denmark is cultivated like a market garden. The chief products are butter, eggs, bacon, poultry, and fine stock. A generation ago, like the farmers of England, the Dane was threatened with extinction by the wheat-fields of America, Russia, and the Argentine Republic. But he did not throw up his hands, as did the English landowner, and convert his land into pasture fields. Neither did he go to Parliament, as did the great estate owners of Germany, and demand a protective tariff. The Danish peasant is self-reliant. And he is a convinced free-trader. He looked about for other markets. He found that England was buying her butter, eggs, and bacon from Ireland. He sent a commission to that country to ascertain how Ireland produced these things. Then Parliament and the people set to work to convert Denmark into a market garden. That was only a quarter of a century ago. Soon the Danes were producing better bacon, better butter, better eggs, than the Irish. Within the last few years no less than four special commissions have been to Denmark from Ireland and Scotland to find out how it is done. For the Danes have captured the English market. And they have done it by improving upon Irish methods.

Denmark is now exporting to Germany, to England, to South America, and even to the Philippines. Here are the statistics

of the export business. They are in round numbers. Except for the year 1908, the average for a five-year period is given:

	Average Exports 1875-1879.	Average 1895-1899.	Exports for 1908.
Horses...	\$1,750,000	\$2,909,000	\$3,000,000
Cattle....	5,250,000	3,000,000	7,000,000
Bacon and Lard...	750,000	12,000,000	26,500,000
Butter....	6,500,000	30,000,000	45,750,000
Eggs.....	250,000	3,000,000	6,600,000
Total....	\$14,500,000	\$50,909,000	\$88,850,000

Most of the horses and cattle go to Germany. The bulk of the balance of the exports go to England. The total export trade is approximately \$380 for every farm, of which 133,000 of the 250,000 are of less than 13½ acres in extent and have an average size of but 3.6 acres, the average of all of the farms being but 43 acres for the entire country. The export business alone amounts to nine dollars per acre in addition to the domestic consumption as well as the support of the farmer himself.

AGRICULTURE A TECHNICAL BUSINESS

How has this been accomplished? By making agriculture a business of the most technical kind. The Danish farmer is an expert. He is also a student. He has studied the breed of horses until he knows what can be raised to the best advantage, and what the German most wants. The same is true of cattle, hogs, and chickens. He knows to a nicety just how a cow should be fed to produce the best butter. He knows how to breed the best hogs. He makes his butter and produces his eggs of a uniform quality. And he packs them so that they will please. He insists upon the most exact kind of Government supervision over the slaughter-houses, in order that the reputation of the country may not suffer from an indifferent producer, and follows up the least complaint from a foreign market. He has ceased to feed his cattle in the open. He feeds them in the stall all the year round. He has studied their food, and uses oil-cakes from New Orleans and Japan, and maize from the Continent. Each week there arrives at Copenhagen a steamer from New Orleans laden with oil-cakes for feeding. He collects his manure with the greatest care, and saves all of the refuse from the co-

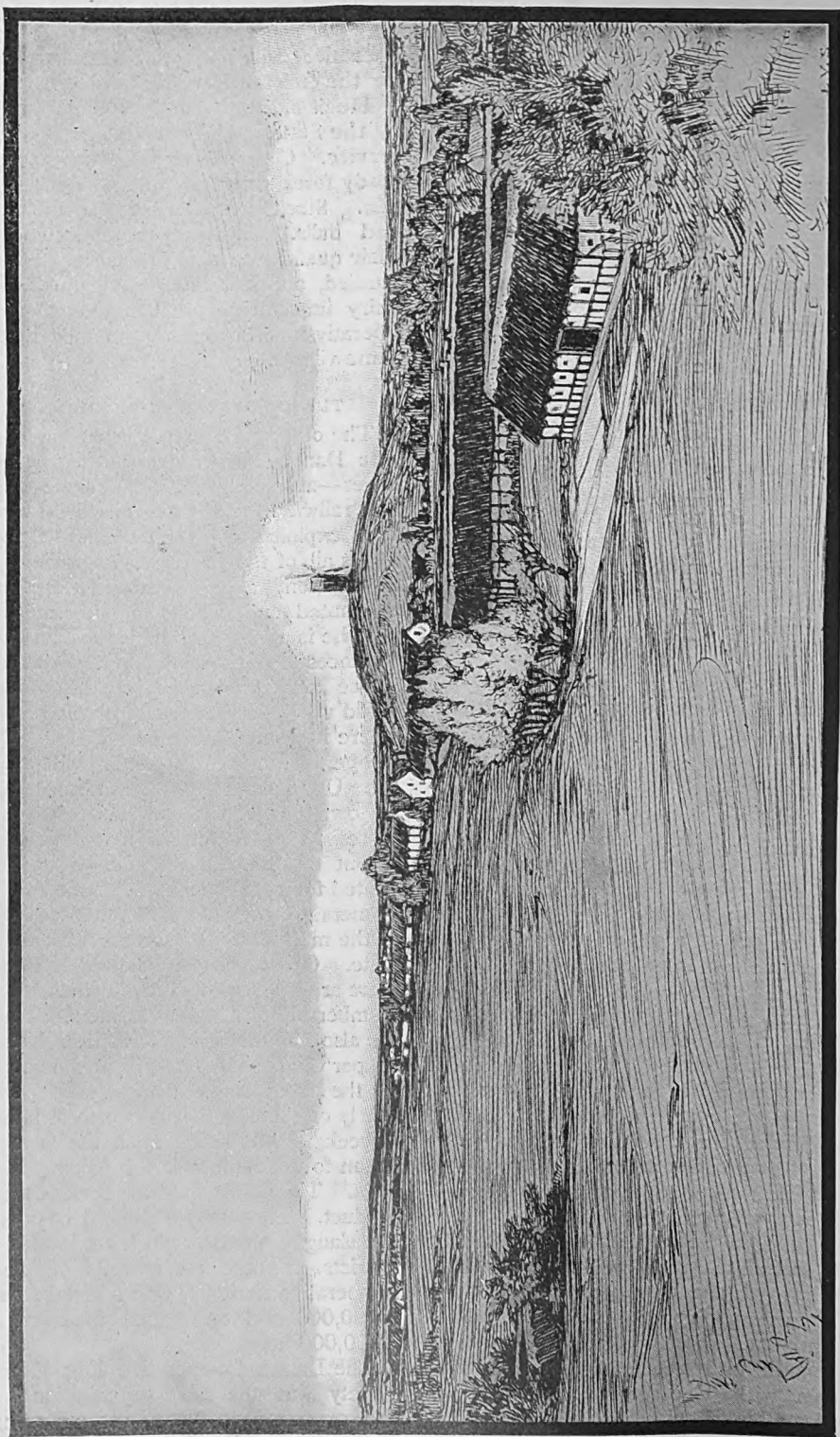
operative dairy and other establishments for the enrichment of his farm.

He is aided in this in countless ways by the State. The State is always at his service. Commissions are sent abroad to study foreign markets and foreign methods. Stock is bred from the best studs and bulls. Chickens are selected for their qualities as egg producers. Soil is studied, and the latest agricultural and dairy implements are bought, either co-operatively or by groups of men in the same village.

THE CO-OPERATIVE MOVEMENT

The other great factor is co-operation. The Danish farmer gets all that he produces—absolutely all. The State owns the railways and protects the farmer from exploitation. And he himself performs all of the processes of production, distribution, and exchange. He has eliminated one middleman after another until he is almost as self-contained as was his ancestor of three hundred years ago, whose only knowledge of the outside world was gained at the local village fair, where he went to barter his goods. The co-operative movement began with dairying. Up to about 1880 each farmer made his own butter. It was very costly and there was no uniformity in the product. About this time a new device was invented for butter-making. A number of farmers got together and purchased one of the machines. Its success was immediate. Other villages followed. To-day there are 1,087 co-operative dairies, with a membership of 158,000 farmers. There are also 200 other private dairies. Nearly 95 per cent of the farmers are members of the co-operative dairies, which ship nearly one million dollars' worth of butter a week to England. Then the farmers began to use skim milk for feeding their hogs. The bacon business became a by-product. Then they organized co-operative slaughter-houses, which are located in districts. There are now 34 of these co-operative abattoirs, with a membership of 90,000 and an annual business of 1,100,000 hogs.

The Danish Co-operative Egg Export Society was the next organization. It was organized in 1895. It now has 57,000 members. The eggs are collected



TYPICAL DANISH FARM LANDS

and stamped each day in a local circle. Then they are sent to larger circles for export. In 1908 the export egg business amounted to \$6,600,000. Danish eggs bring fancy prices. For they are always fresh. They are better packed than any others, and are carefully graded. By these means the Dane has more than doubled the price which he receives for his butter. He saves the profits which formerly went to the jobber. The same is true of bacon and eggs.

Some years ago there was formed in London a trust to control the bacon industry. It fixed the price to the farmer and the price to the consumer as well. This spelled disaster to the Danish farmer. But he met this danger as he had his former difficulties, by co-operation. He formed a selling agency of his own. The Danish Bacon Company of London not only destroyed the trust, it insured to the Danish farmer a secure market for his produce. Thus the farmer gets all that his labor produces. He is not despoiled by warehousemen, by railway or other monopoly charges. He gets the full value of his product in dividends at the end of the year, the profits refunded to him being measured by the amount of his output.

The peasant is also his own banker. There are 536 co-operative savings banks in the country. Here the farmer places his savings. Here he goes when he wants a loan. The deposits in 1906 amounted to \$208,500,000, and the number of depositors to 1,352,000 (over half of the population), with an average deposit of \$154. Now the peasant is talking of organizing a great central bank for the whole country, a bank which will include all of the co-operative societies and all of the labor unions as well.

But the co-operative story does not end here. The farmer does his own buying at wholesale. Through these purchasing societies he buys food for his cattle. Almost everything that he consumes comes to him at cost. It is purchased by central agencies made up from representatives of local agencies. The goods are then distributed to the stores, one of which is to be found in every village. Thus he gets his agricultural implements. Thus he buys his food and all his sup-

plies. He saves the profits of the jobber and the retail dealer for himself. The turnover of the purchasing societies in 1907 was \$17,500,000.

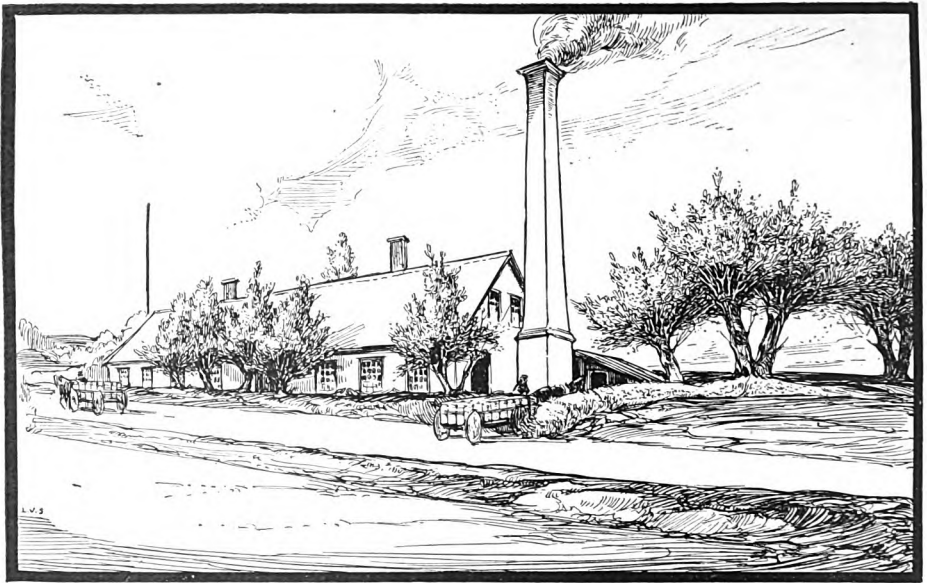
EDUCATION

As was before stated, there is no illiteracy in Denmark. School attendance is compulsory up to the age of fourteen. This is usually followed by a period of from three to four years when the children work on the farm. Above the elementary schools are the high schools. They are privately organized, but practically all of them receive aid from the State. The courses are of five months' duration. The boys attend in the winter and the girls in the summer. The tuition is small and the students live in the schools. The schools are very eclectic, and there is no necessary uniformity in the courses. And there are no examinations. All of them emphasize history, especially Danish history. Literature is taught, as are bookkeeping, business, and everything of value on the farm. There are forty-two of such schools in the country. They are, in a sense, patriotic institutions. They cannot be compared to the American high school or the German gymnasium. They are an indigenous product.

Along with these high schools are the agricultural colleges, of which there are twenty-nine. They give a very thorough course in all of the things that relate to Danish agriculture. They also are aided by the State.

It is through these high schools and agricultural colleges that the Dane is educated. There are over six thousand students in attendance. The boys are trained in agricultural chemistry, in stock-breeding, in seeds, in the management of co-operative establishments. In addition, an immense amount of what might be termed extension work is going on all of the time. There are lectures and circle work. Excursions are made to Copenhagen and elsewhere, while the co-operative societies have special text-books for the use of the farmers. The papers and the magazines are universally read, while constant political and agricultural meetings are being held.

Everybody in Denmark seems to be an agitator of some kind. And Danish cul-



A CO-OPERATIVE DAIRY OF DENMARK

ture is a product of it all. It is not hard and fast, it is a part of the thought of every one. The education of the peasant is like the information of the American baseball "fan." It is a part of his life. The Danish peasant is saturated with the culture of his nation, the culture which has come from the mastery of his subject and a knowledge of the politics of the country.

POLITICAL CONDITIONS

The peasant also controls the politics of the State. He has only been conscious of his power during the last ten years. The Rigsdag is composed of two houses. The upper house is indirectly elected or its members are appointed by the King. It is rather more conservative than the lower house, but it does not use its power to revise or check legislation, for it would receive no support from the country if it did. The lower house is popularly elected. Of the 114 members 55 are peasants. There are also 24 Socialists. The others are Liberals, with a sprinkling of Conservatives. The peasants control the Ministry, but are largely guided by the experience and wisdom of the permanent official class. The legislation which has been passed is of a decidedly democratic and progressive sort. The Government is obviously class conscious, for the peasant assumes and

other classes admit that the State is an agricultural one, and should be administered in the interest of agriculture. Education is generously supported, as are art and the State institutions. About a fourth of the revenues are spent on the army and the navy. There is an excellent system of old age pensions.

At the last session of Parliament a law was enacted which is indicative of the open-mindedness of the peasant, even when his own interests are involved. The State is planning to build twenty-seven lines of new railways, involving in all from 400 to 500 miles of track. It was recognized that the building of these railways would increase the value of the adjoining land. It was suggested that the road should be paid for by special assessments, and all of the increase in land value should be appropriated by the State to pay for the construction. The Ministry advocated that one-half of the increment should be so appropriated. But the measure as passed provides that the land shall be valued after the roads are completed and a tax shall be levied on the unearned increment equal to one-third of the value which has been added to the estates of the landowner. It has been estimated that this alone will pay for the cost of the roads. A similar law was passed providing for the building of a harbor at Esb-

jerg. Under the law, the city is to pay one-half of the cost, but is permitted to take one-half of the unearned increment to pay for its contribution to the enterprise.

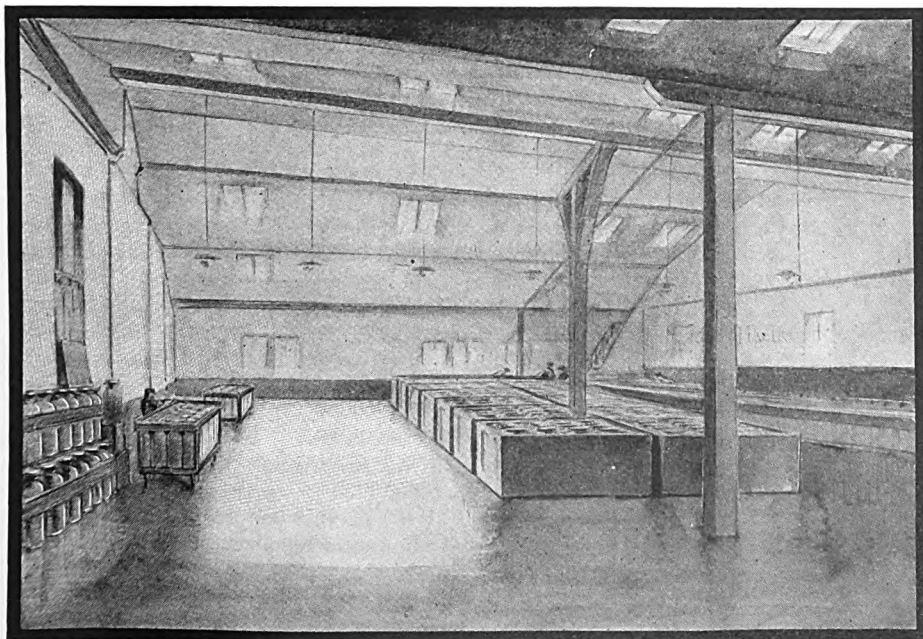
Aside from the issue of militarism, one of the chief issues is over the taxation of land values. This is the last State in the world where such an issue would seem likely to arise. For nowhere else do so many people own land. But the great bulk of the holders have very small farms. And under the system of income taxation which obtains the State arbitrarily declares that the taxable income of the *Hussman* shall be twice that of the peasant and three times that of the large owner per unit of land. The State recognizes that the small patch is more productive than the large holding. This makes it obvious to the *Hussman* that he is being taxed on his industry and not on his opportunity. Being a free-trader, he sees no way of rectifying this condition save by the taxation of all land at its capital value. He argues that by this means the large estate will be more readily broken up and that all classes will pay according to their opportunity and not according to their energy. The *Hussman*, too, like the peasant and the artisan, is organized as a

class. And at the last three meetings of the Peasant Farmers' Association the following resolution was passed: "The Danish peasant farmers demand the earliest possible abolition of all duties and taxes levied upon articles of consumption or assessed in proportion to income on labor, and in lieu thereof they demand that a tax be imposed on the value of the land, which value is not due to any individual effort, but is derived from the growth and development of the community." This is the essence of the single tax.

THE LESSON OF IT ALL

To this programme the great estate as well as the larger farm owners are opposed. But the petty landowners are twice as numerous as the farmers, and are coming to have a political sense. They, too, desire to see the laws of the country adjusted to their interests and the burdens of taxation shifted from their labor on to a more equitable basis.

What does this experiment station in democracy teach? In the first place, it demonstrates the controlling influence of a system of landownership on the life of a people. Denmark is democratic,



INTERIOR OF A DANISH CO-OPERATIVE DAIRY

enlightened, and self-governed because the great bulk of the people have an interest in the soil. France, Holland, and Switzerland prove the same thing. It shows, too, that poverty can be reduced to a minimum and the well-being of all the people promoted by State aid and co-operation. Even wages in the city are determined by the agricultural situation. The ease with which men live on the farm and acquire holdings of their own compels the employer to compete with the land for his labor. The land question thus lies at the root of the wages question.

Further than this, the Danish farmer appreciates that he is a consumer as well as a producer. He has learned that his success in agriculture is the result of his own efforts. It is not due to any bounty or subsidy from the State. He is not fooled into any belief in protection. He

is a free-trader. He buys where he will in the cheapest market, and the cost of living is much below what it is in America. He is not afflicted by trusts or monopolies. There is sufficient competition in the world which seeks him out to enable him to pick and choose, and he is able to get the best that the world offers and at his own price.

Here, too, may be seen voluntary co-operation at its best. The farmer gets all that he produces. And by education and the aid of the State he has increased the productivity of his labor. Like Switzerland and Germany, the little State of Denmark shows that the old philosophy of individualism has broken down, and that there are many activities which the State itself must assume in order to protect the people and promote their common welfare.

A GOLDEN WEDDING

BY EMILY HUNTINGTON MILLER

"Dear Love," he said, that morning long ago,
 "Where Life may lead the wisest cannot know,
 Or through what changing weather.
 If I could choose, no cloud should dim the sky."
 She smiled. "*What matter where the road may lie,
 So we two walk together?*"

"Dear Heart," he said, when they had journeyed far,
 And the calm radiance of the evening star
 Above the hills was shining,
 "The road was rough, and Life, the master, taught
 Lessons with bitter wisdom sometimes fraught,
 Beyond our hearts' divining.

"Yet good has sometimes come from seeming ill,
 And Love unchanging led us safely still
 Through storms and sunny weather."
 She smiled. "*What matter though the road were rough,
 The lessons bitter? This was joy enough,
 That we have walked together.*"

Conquering a Nation with Bread¹

By Frederic C. Howe

With Drawings by Leon V. Solon

THE conquest of a nation through the stomach is the dream of the Party of Workers in Belgium. And the means employed is bread, the chief article of food in one of the most highly organized, the most densely populated, and in many ways the most poverty-stricken and ignorant country in western Europe. About bread and the misery of the peasant and the artisan a militant political party has been organized, which has grown in twenty-seven years from a mere handful of workers until it now has thirty-five members in the lower house of Parliament and seven Senators in the upper house, while the Councils of many cities are in its control, and over six hundred members of the legislative bodies of the towns and communes of the country accept its principles. The total vote of the party is half a million, in a country with a total population of but 7,161,000, and its leaders expect that after the election in 1910 it will control, or at least largely dictate, the policy of the party in power. All this has been brought about in a country where wages and incomes are pitifully low, where illiteracy is very high,² and the control of the government has been in the hands of the party of reaction for many years. The brain, the heart, and the will power of this movement is the "Maison du Peuple," the palace of the working-man in the capital of Belgium.

Here in Brussels, in a prominent street, not far from the Palace of Justice, the Houses of Parliament, and the Bourse, is the clearing-house of social life, of education, of food, groceries, coal, and the

necessities of life of the people; here is the center of countless political movements and labor organizations as well as of the Socialist International, with its millions of members and its rapidly advancing conquest of the workers of Europe.

The foundation of the Maison is the co-operative production of bread. The movement started in a cellar in 1882 with a capital of but \$120. It owned two hand ovens, had two employees and a dog to deliver its output to the fifty-four families who united in the co-operative movement. It obtained fifty sacks of flour on credit. To-day it produces 10,175,000 loaves of bread a year, has 20,000 members, and is housed in a home of its own which cost \$240,000.

A quarter of a million dollars does not sound very big to us, accustomed to think in millions. But Belgium is a country in which a centime, a fifth of a cent, is the measure of value to the common people, where potatoes are the main article of food of a large part of the peasants and bread the universal diet of the millions who toil. To these people the wheat corner in Chicago increased the cost of living more than the workers could have secured in wages in a great strike. And it affected them all. And while a single man was engaged in a tiger-like struggle in the wheat pit of Chicago the co-operative societies of Belgium were striving to find ways to escape an increase of two-fifths of a cent in the price of a loaf of bread. Strange anomaly! While private initiative, which we extol as a sacred right, brought starvation to hundreds of thousands, the spirit of co-operation, which is inspired by other motives than private gain, was bending its energies to protect a people from the unbridled license which it involved.

THE CONDITION OF THE WORKING CLASSES

Centimes really count in this country where men still work eleven and twelve hours a day and at the end of the week

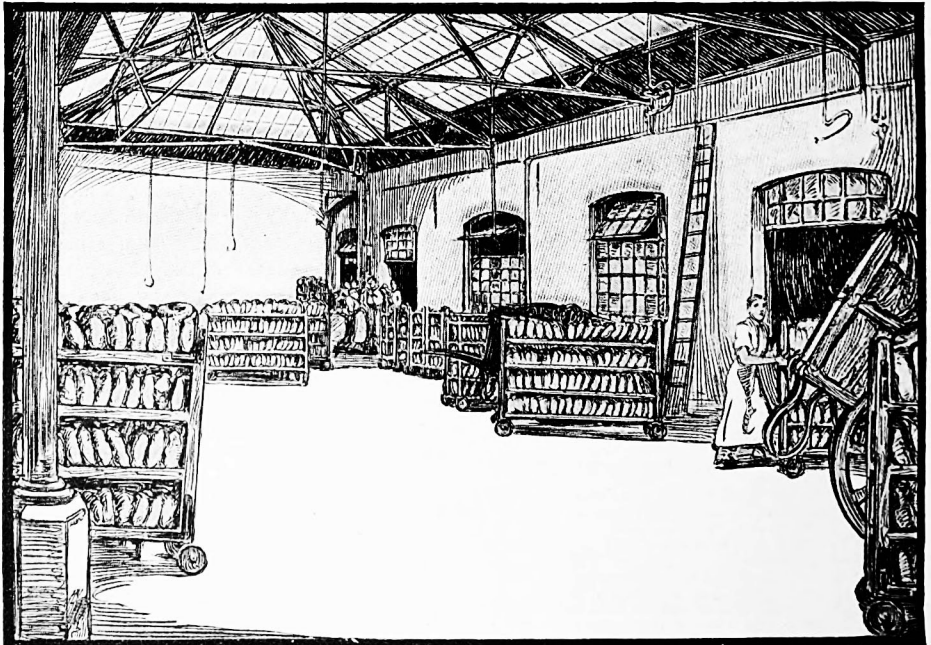
¹ The fourth of a series of five articles on Industrial Democracy in Europe.

² Illiteracy is indicated by the candidates for the army. In 1902 there were 100 illiterates in Belgium out of 1,000 militiamen, as compared with one in Germany, Sweden, and Denmark, and as compared with 37 in England and 46 in France. Education is far from universal or compulsory. Nominally public, it is in the hands of the Catholic clergy. The manager of a large manufacturing plant in a village not far from Brussels told me that there was scarcely an employee in his factory who could read or write, while many employees executed their contracts with a mark instead of a signature.

receive but three dollars in wages for their toil in industrial establishments; where children of not more than six years of age are found at work with their fathers in the building trades. Here the sweated home industry everywhere competes with the factory. Lace, embroidery, and glove making, the weaving of cotton and silk, are still carried on in the cottages of the peasants by men, while whole communities eke out the poorest kind of an existence on a small holding of rented land. Among these small tenants a single cow is too costly for the most ambitious dreams, while a single pig, a few sheep or chickens, are jealously cared for and everything that is produced is carried to the nearest village to be sold. Tens of thousands of people scarcely know the taste of meat, even when they produce it themselves. Yet this is a country which is cultivated like a garden. It is divided into small holdings, many of them less than an acre in extent. But they are not the holdings of peasant proprietors, such as prevail in France, in Holland, and in Denmark; they are the holdings of a rack-rented peasantry paying a large part of what they produce to a landlord, not unlike the tenants in Ireland.

I do not know the antecedents of the men whom I met who are devoting themselves to the co-operative movement, and through co-operation to the conquest of the State for Socialism. But they are not the kind of men one is led to believe control the labor movement. Many of them are cultivated, scientific, and practical. They are afire with an enthusiasm that evidently commands love and respect. They have a vision of the society they would call into existence on earth as definite and as clear as the mental pictures of the future life that sent the Inquisition into the Netherlands and inspired William the Silent and his people to the defense of Protestantism.

The Maison du Peuple, from which their work is carried on, is an oasis in the midst of ignorance, reaction, and oppression. As the present Director, Alphonse Octros, said, "Through it the workers gain force and courage for the combat against social iniquities. They come to understand how to control themselves and to love and to aid one another by mutual effort." Its legal title is the Co-operative Society of Workers. Its motive is the production and sale of the necessities of life to the people at cost. It was born of



THE BAKERY IN THE PALACE OF LABOR

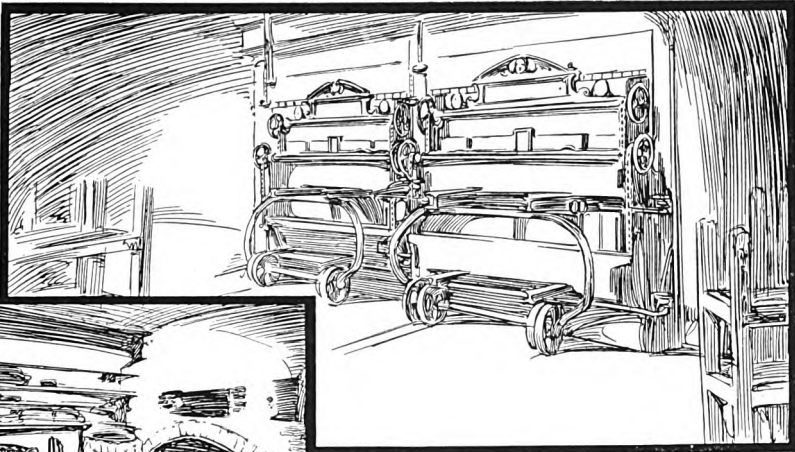


THE FIRST OVEN THAT WAS USED

the oppression of the working class. The establishment of the Maison du Peuple was the beginning of the present propaganda for the co-operative movement which has since spread all over Belgium.

THE GROWTH OF THE MOVEMENT

The movement grew rapidly. From 1882 to 1886 the production increased to 3,000 loaves a week. Then came the idea of bigger things. An unused synagogue was rented on the Place de Bavière. A café was opened. Headquarters were provided for the labor unions and affiliated organizations. There was a large hall for all kinds of meetings. The little co-operative bakery became a political and trades union movement. To the workers the new home seemed like a palace. By 1888 the production of bread had increased to 8,000 loaves a week. In 1889 it doubled again. Then a butcher shop was opened. Coal, butter, and all kinds of groceries were added. In 1891 free medical attendance was provided for the members, along with a free dispensary. This is one of the most valuable institutions of the movement. For the insignificant sum of one cent a week members command the services of any one of twenty-six excellent physicians employed by the Maison. There are specialists in the eye and ear, the throat,



THE GREAT OVENS AT THE PALACE OF LABOR

and the nose. There are also a free dental dispensary and a free pharmacy. In addition there is an arrangement for free legal services for those who are in trouble.

In 1899 the Maison du Peuple moved into its present home, on Joseph Stevens Street. The club-house cost \$240,000. It is four stories in height. Across the face of the structure are tablets bearing the names of Marx, Proudhon, Volders, and others. The building itself was erected for the purpose. It is a combination club-house, café, general store, and office building for the labor movement and Socialist and co-operative propaganda. On the lower floor is a café, with a seating capacity of eight hundred persons, where beers, light wines, coffee, and food are sold at a low cost. Beer costs two and a half cents a glass, wines from two to three cents, and coffee two cents. The use of spirits is discouraged, and temperance is promoted by the substitution of lighter drinks. On the same floor is a billiard hall. In the café one finds crowds of men and of women, by day as well as in the evening, playing cards, checkers, backgammon, and enjoying themselves in the way that Continental people do in their cafés. Here are to be found the daily papers. To the right as one enters is a general store where clothing and household utensils are sold. On the floor above are the offices of administration from which the affairs of the Co-operative Society as well as the work of



THE CAFÉ AT THE PALACE OF LABOR

the Socialist International and the local trades unions is carried on. Here are some fine paintings representative of social problems; here are the meeting-rooms for allied working-class movements; here are a good library filled with carefully chosen books, and offices for the propagation of the movement, both local and general. Upon the top floor is the Salle des Fêtes, where Socialist and labor congresses meet. Here two or three times a week cinematograph entertainments of carefully selected subjects are given, while on Sunday evenings concerts and dramatic performances are given by members of the Maison or invited artists. I attended a concert given by the members of the Théâtre des la Monnaie in May last. It was like the best symphony concerts of America. There was nothing that was frivolous. The audience was critical and appreciative. The concert lasted till nearly midnight. The hall was crowded with what looked like a middle-class audience of clerks, small business men, and artisans. There was little to suggest poverty. Possibly the charge of ten cents was prohibitive. There was a fine *camaraderie* between the audience and the

performers. Many of the artists were Socialists, which seems to be not unusual in Belgium, for Socialism is the party which protests most strongly against the Catholic Church and its influence in politics.

In this hall, supported by a very small charge for admission, the cause of the workers is promoted by the presentation of serious plays, by lectures and concerts, while the cinematograph is used, not only to entertain, but to instruct by homely and trenchant mottoes which appeal to the children.

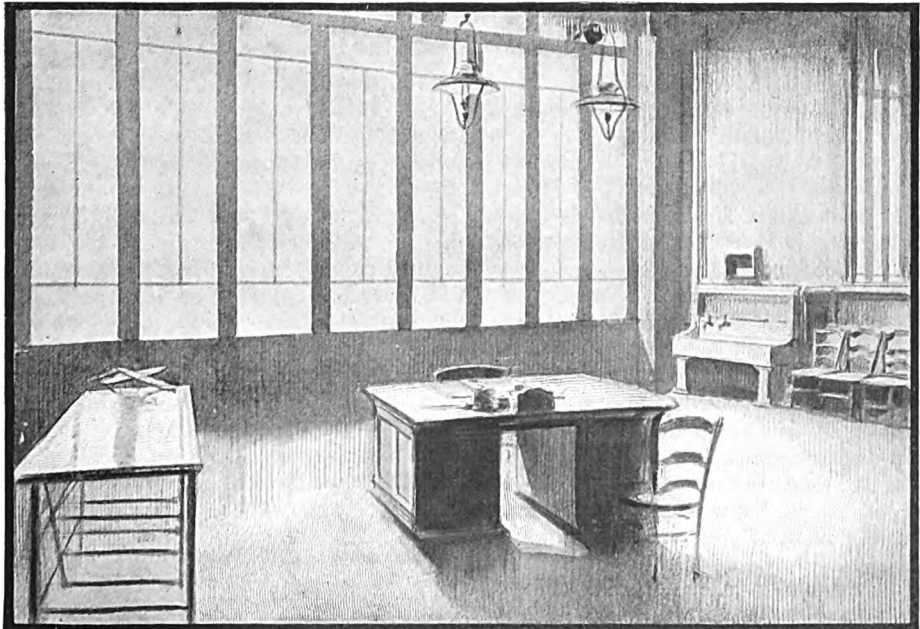
The cause of the workers has become the cause of the artist in Belgium. The wonderful productions of Meunier, like "The Dock Laborer," which has been purchased by the city of Antwerp and placed in front of the Fine Arts Museum, his "Puddler," in the Royal Museum of Sculpture in Brussels, are masterpieces of the soul of art going out to those who toil. Meunier made the docker, the miner, the glass-worker, and the peasant the symbol of modern life, and bronze and plaster reproductions of his masterpieces confront one in the library of almost every social worker. At Ghent the workers

erected a studio for van Biesbroeck and his son, and assure them an income so that they may devote themselves to the pursuit of art without concern for their livelihood. The work of the younger van Biesbroeck adorns the halls of the co-operative establishments of Belgium and preserves to future generations the condition of the workers of to-day, much as the great Flemish masters of the seventeenth century preserve to us the religious fervor of their times.

Art, music, and the drama—all these things form a part of the co-operative movement in Belgium. Not the cheap and the tawdry, not the vulgar and the low, such as is given to us by managers in America, on the plea that this is what the American people want, but the best, the highest, and the most worth while that their limited means permit them to produce. When one sees the eager, awakened look in the eyes of the working classes, one is forced to wonder whether the theatrical managers in America who insist that we get what we really want do not really give us what they themselves want—what appeals to their uncultured if not vulgar ideals, assuming that what pleases them must be the universal taste of the people.

THE RESULTS OF CO-OPERATION

The Maison du Peuple has reduced the price of bread from seven and eight cents to six cents a loaf, while the private bakers have been forced to give honest weights and pure bread. At the end of every six months the Maison returns to the members in the form of dividends three centimes on each loaf of bread purchased and five centimes on each sack of coal. The savings on the domestic budget from this source for six months amount to from twenty to forty francs, according to the amount of the purchases. This dividend is sufficient to carry the worker over a period of idleness during the winter. The Maison also pays its employees a minimum wage of five francs a day for eight hours' work. It gives a week's vacation each year on full pay, six per cent of the profits, and permits the employees to select eight men on the Board of Managers. It insures those who desire it against sickness and accident, and all day long women may be seen paying their assessments, which amount to from two to four dollars on entrance, with a monthly assessment of twenty cents for an insurance of fifty cents per day in case of sickness and a death benefit of fifty dollars. The mutual insurance scheme has 2,800 members, and



THE DISPENSARY AT THE PALACE OF LABOR

in ten years' time has paid out \$60,000 in benefits.

In sixteen years the sale of bread has amounted to seven million dollars, and the profits to almost exactly a million dollars. Mechanical ovens were introduced in 1892. By reason of this change the private bakers were forced to adopt mechanical ovens and meet the price of the co-operatives. During the recent rise in the price of flour the Maison kept down the cost of bread, and by so doing saved the consumers of Brussels the sum of \$500,000 a year.

The Maison now has six local clubs located in different parts of the city. It has thirty-nine establishments, including one large central store, twenty-six groceries, a coal-yard, many bakeries, etc. Its annual turnover is \$1,100,000, and its total capital invested amounts to \$800,000. The balance-sheet for the half-year ending December 31, 1908, shows how its profits are expended: \$7,500 was spent for medical gratuities; \$2,000 for free bread to members in need; \$5,250 for propaganda work, subsidies, aids, and labor unions; \$30,000 was distributed to bread purchasers, \$4,000 to grocery purchasers, and \$4,000 to other purchasers. The total profits for six months were \$60,000, or at the rate of \$120,000 a year. The total receipts were as follows: Bread, \$300,000; groceries, \$90,000; coal, \$50,000; novelties, etc., \$45,000; café, \$28,000; butcher shop, \$43,000; and other sources, \$24,000.

THE DREAM OF THE CO-OPERATIVE

It is a regular dynamo, this home of the people, erected from the centimes of the poor and ceaselessly boring its way into the life of the people by means of a loaf of bread. For it first feeds, and then, through the stomach, it brings the people into social, political, and educational contact and companionship. From 1883 to 1906 the profits and benefits of co-operation have amounted to \$1,290,000. This sum has been paid back to the purchasers, has been used for medical services or for the promotion of propaganda work in the enlarging of the co-operative movement or the promotion of the political cause of the workers.

There is something that is sublime in

the faith and the dreams of these men who for more than a quarter of a century have been laboring to awaken the workers of Belgium to combined effort in their own interest. "And the end of all this," I asked Camille Hausmans, the Secretary of the International Socialist Organization, as we stood in the office of the Director-General of the Maison du Peuple; "what is it that you plan to do with all this machinery?" "We aim to become the John D. Rockefeller of Brussels, and then of all Belgium," he smilingly replied. "And then?" I asked. "Then we aim to secure a monopoly of all other things, and finally, of course, to bring about the Socialist commonwealth."

The little group of co-operatives who were standing around smiled approval, as though this were a commonplace and the outcome were as assured as the rising of the morrow's sun. There was so much confidence, so much courage, so much sweetness, and so much calm, businesslike intelligence about it all. They meant what they said, and they were working for the control of Belgium with all the assurance in the world. The growth of the movement is some reason for their assurance. Co-operation has spread far beyond the boundaries of Brussels. Every town has its Maison du Peuple. In Ghent the workers secretly secured possession of a fine old house in an aristocratic quarter of the city. They called the home "Our House." Other cities have adopted different names, such as "Progress," "Equality," "Union," "Fraternity," and the like. But all of them require their members to sign the following pledge before they can enter the co-operative organization: "The Maison du Peuple is a Socialist co-operative. Co-operatives by their signatures to the books of the society give their adhesion to the Belgian working party to which they are affiliated." The total membership of all of the locals is 134,694. The total sales of all the local organizations amounted to eight million dollars in 1908, and the profits to one million dollars. The total capital invested was \$2,850,000.

CO-OPERATIVE FEDERATION

In 1900 almost all of these societies were federated into a central body for the

purpose of producing and buying in common. The federation did not have a sou when it started, but the sales for the first year amounted to \$154,000. By 1908 the sales had grown to \$600,000. Co-operative manufacturing plants now exist for the production of cotton, linen, hosiery, tobacco, baskets, and boots and shoes. There are iron foundries, printing and carpentering establishments. There are breweries and stone-quarrying co-operatives. The advantages of this central organization, as set forth in the articles of organization, are: First, cheapness in the making of purchases; second, exact measure and good quality of goods; third, the saving to the workers of all that is produced and the elimination of the middleman; fourth, the encouragement of libraries, education, conferences, and the like; fifth, better conditions of employment for the men, and a partial control over the administration. Thus the whole nation is being united about the production, exchange, and consumption of wealth. Thousands of men are being trained in the management of productive enterprises and in practical politics. Ideals are being created and the practical business of administration and of legislation is being learned in the City Councils and in Parliament.

THE POLITICAL PROGRAMME OF THE PARTY OF WORKERS

There is nothing that is revolutionary, nothing that is immoral, nothing that is even very radical about the aims of these Socialists. For the Party of Workers in Belgium is an opportunist party. It leaves its locals free to work with Liberals, Radicals, or even with the Conservative Catholic party when the emergency makes it advisable to do so, although it prefers that the locals should keep themselves free from all alliances. The immediate programme, so far as the nation as a whole is concerned, would commend itself to the most conservative American. It includes,

as the first step, the abolition of the system of plural voting, by which the property classes have two, three, and even four votes, according to the amount of their wealth, and the substitution of the principle of one man and one vote. Second, the introduction of universal public education, which shall be compulsory, for, while education is nominally public, the Conservative or Church party has placed the administration of the law in the hands of clerical teachers, who have limited it as much as possible. The third step in the programme is the revision of the system of taxation so that it will be modern, for Belgium still levies its national taxes on a system that prevailed in France prior to the Revolution. It still has the window tax, and many other mediæval survivals. These proposals, with legislation providing for some sort of insurance against industrial accidents and for old age pensions, is the programme of the Socialist party, which plans to work with the Radicals and the Liberals in the Parliament to be elected in May, 1910.

In the cities the programme is equally moderate. It is always the next step. It includes the payment of a fair wage in all public work, the municipalization of the tramways, electric lighting, water and gas supplies, and the feeding of school children. These, with the housing of the working classes, which is already under way in Brussels, where two and one-quarter millions are being spent on a project of this kind, as well as the taxation of the unearned increment of land, which has made such rapid progress in Germany, is the local programme of Socialism. Not that the members of the party accept this as final. They have their eyes upon the working class State. But they are Fabians rather than absolutists, and more than any place else in Europe seem to appreciate the fact that Socialism involves training, education, experience, and a sense of solidarity and unity before it can hope to come into its own.

The Outlook

A WEEKLY NEWSPAPER

VOLUME XCIV.

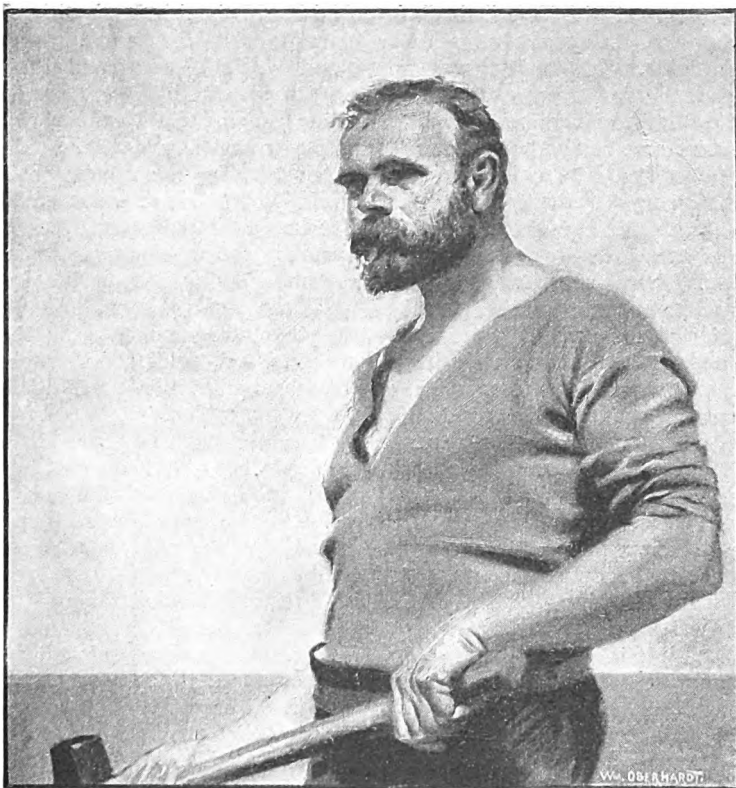
JANUARY—APRIL, 1910

FOUR MONTHS

FIVE ARTICLES BY FREDERIC C. HOWE (1867-1940)

1. The Peaceful Revolution (Jan. 15)
 2. The White Coal of Switzerland (Jan. 22)
 3. A Commonwealth Ruled by Farmers [Denmark] (Feb. 26)
 4. Conquering a Nation with Bread [Belgium] (Mar. 26)
 5. How Germany Cares for Her Working People (Apr. 23)
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THE OUTLOOK COMPANY
NEW YORK



DRAWN BY WILLIAM OBERHARDT

How Germany Cares for Her Working People¹

By Frederic C. Howe

GERMANY hates waste in any form. She has taught the world the value of the "by-product." This is one of her contributions to industry. Other countries have adopted her methods of industrial salvage. None of them, save Switzerland, has followed her example in saving the waste of human lives which the mill and the factory produce.

Three years ago the Imperial Minister of the Interior, speaking in the Reichstag, said: "If Germany has experienced a vast industrial expansion equaled by no other country in the world during the

same time, it is chiefly due to the efficiency of its workers. But this efficiency must inevitably have suffered had we not secured to our working classes, by the social legislation of recent years, a tolerable standard of life, and had we not, as far as was possible, guaranteed their physical health."

Germany is not burdened with the economic philosophy which America inherited from England. Germany does not look upon the State as an unmixed evil. Germany does not apotheosize the names of Adam Smith and Ricardo; she does not believe in unlicensed individualism; she does not permit the struggle for ex-

¹ The last of a series of five articles on Industrial Democracy in Europe.

istence to weed out the so-called weak and incompetent. Germany recognizes that modern industry has made those who labor dependent upon other causes than their own thrift or willingness to work; they are not incompetent and unfit because they have no job. Germany has secured industrial efficiency "by the social legislation of the State." The aid of Government has been extended to the worker as well as to the landowner, who is protected from American wheat; to the manufacturer, who is shielded from competition; and to the shipowner, who is subsidized from the nation's treasury. To some extent at least, and to a remarkable extent in comparison with other countries, Germany has extended the strong arm of the State to the relief of the weak as well as to the support of the strong. The average German is probably no more humane than the average American. But he is certainly far more humane in the legislation which has been adopted in recent years. He is also far wiser. And he has no written Constitution through which privilege can drive a four-horse team with ease but which closes fast around any attempt to use the powers of Government for the protection of the many.

From the cradle to the grave the State has its finger on the pulse of the citizen. His education, his health, and his working efficiency are all a matter of constant concern. The worker is carefully protected in his person from accident, he is trained in his hand and in his brain to be a good producer, and he is insured against accident, sickness, and old age. When idle through no fault of his own, work is frequently found for him. When homeless, a lodging is offered so that he will not pass to the vagrant class. When sick, he is cared for in wonderful convalescent homes, tuberculosis hospitals, and farm colonies. When old age removes him from the mill or the factory, a pension awaits him, a slight mark of appreciation from society, which has taken in labor all that his life had to give and left him nothing more than a bare subsistence wage.

EDUCATION

Education is compulsory for both sexes from six to fourteen. The incoming school

child is examined by a physician. If any infirmity exists, the parents are advised of it and the child is so trained as to eliminate the disease. If it is of a more serious nature, or the child cannot receive the proper treatment at home, he is sent to a woods school in the country, where he is specially cared for in mind and in body. Exercise is compulsory in the school gymnasiums and the playgrounds, in the swimming tanks, and in the long walks which the pupils take with the teacher in the surrounding country. These exercises are continued during the vacation periods, the school authorities bearing the cost of the transportation.

The German boy must be a good soldier. The German girl must be a good mother. The State has a long vision of to-morrow. And it spends generously for the next generation. From the elementary schools, "the pet scheme of Prussian administration," the child passes to the "continuation schools." These, too, are free and compulsory for two or three years. They are usually held in the evening. The subjects taught are, for the most part, practical. They offer an elementary training for industry, commerce, trade, and life. Above these are the high schools, the gymnasiums, the commercial colleges, the art and normal schools, some of which are free, all of which involve but small fees. A very large percentage of the pupils take advantage of these secondary schools.

Books are furnished free to those who need them, as are breakfasts. Free feeding of all school children will undoubtedly be a regular part of the school régime in a very short time. Elementary education in Germany lies at the foundation of the nation's greatness. It is so recognized. And it is a truly wonderful thing; possibly the most wonderful system of education in the modern world.

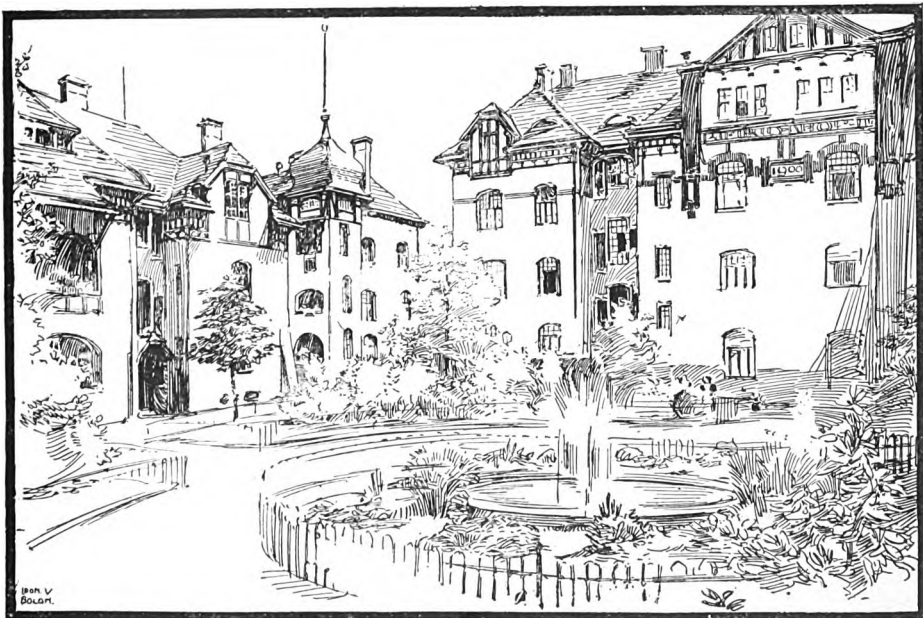
THE RIGHT TO WORK

Germany does not recognize the claim of the Socialist that a man has a right to work, a right as absolute as the right to life itself. In fact, she officially repudiates this doctrine. But the State does many things to insure the right to work just the same. It seems as though the nation said to itself: "It costs \$1,000 to raise a

boy to manhood. That much is taken from the wealth of the community. It is criminally wasteful to pay this price for his upbringing (even as a man would buy a slave), and then permit him to be idle, to become a tramp, to be maimed or killed in the factory, or to be disabled through sickness." So the State protects its human assets, and, so far as is possible, keeps them engaged at productive employment. I do not mean to say that the motive is as sordid as this, but certainly industrial efficiency is uppermost in the minds of Kaiser and Ministers.

How is this achieved? In a great variety

the Insurance Department. It occupies a splendid four-story building, probably a hundred feet front, on Gormannstrasse. It runs through to another street, the entrance on the latter street being to the women's department. In the center of the building is a great open hall capable of seating 1,400 persons. There were probably 600 men waiting for work when I was there. Here the men sit, grouped in sections, according to their employment. When a call is received by mail or over the telephone, the men are called to the desk. The wages and conditions are explained, and the men are given a card to the employer.



DRAWN BY LEON V. SOLOM

A WORKINGMAN'S COLONY AT FRIEDRICHSHOF

Model tenement-houses supplied at moderate rent by the manufacturer

of ways. In the first place, there are the municipal labor registries. There are nearly 400 of them in the Empire. They find work for from 500,000 to 1,000,000 men and women every year. They are maintained partly by the cities, partly by private agencies. They are great clearing-houses for skilled and unskilled labor of both sexes. I visited the registries in Düsseldorf and Berlin. The latter is one of the largest and best in the Empire. It secured 120,000 positions in the year 1908. It was established in 1888, and is maintained by public authorities at a cost of \$25,000 a year, and is administered by

Priority is given to the married men as well as to those first registered. On one side of the hall is a buffet, where beer, cigars, and food are sold at a trifling sum. There are cobblers and tailors who do jobs of mending. A shower-bath can be obtained in the basement for a cent. There is a smaller and more elaborate room and canteen for the skilled workers, and one for women workers, in another portion of the building. Connected with the registry is a free dispensary and medical inspection bureau.

These labor registries, scattered all over the Empire, are being co-ordinated, so that the surplus labor of one market

can be shifted to another, while an attempt is being made to supply the demand of the farmer for casual labor.

Voluntary arbitration courts are usually found in connection with the registries. They are made up of employers and employees, and are used for the settlement of minor trade and wage disputes. With these are free legal aid dispensaries for the aid of the working classes.

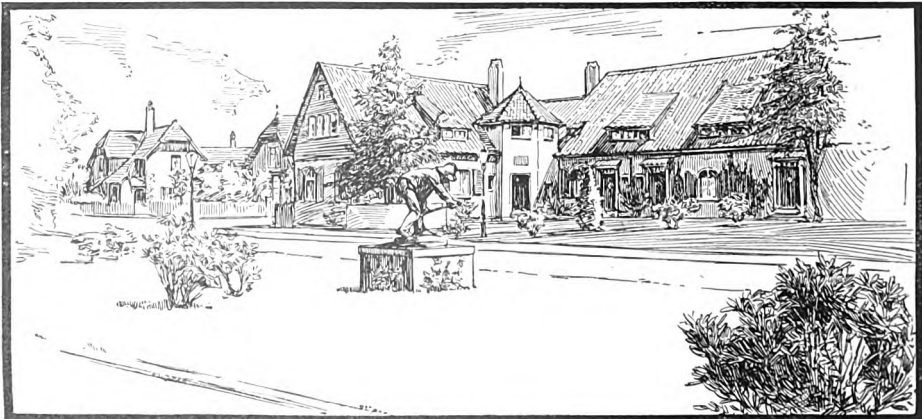
Upwards of a dozen cities have opened up free house registries designed primarily for the working classes. House or apartment owners report to the agency, giving details as to location, rent, etc. An officer of the bureau then makes an inspection, and, if the house is approved, it is placed upon the list. In some towns the plan has found so much favor that all other methods of renting by advertisement have been abandoned. This is a great boon to the workman, employed as he is all day at his job. It saves him the time he can ill afford to lose and enables him to find the sort of lodging he desires.

THE WANDERING WORKER

Provision is also made for the wandering worker, the honest artisan seeking a job. Germany does not assume that a man out of employment, "with no visible means of support," is a semi-criminal. The courts do not place him under arrest as a suspicious person, as do many of our cities. Thousands of men in America are branded by this ignorant policy which we pursue. They are started on the road to trampdom, vagrancy, and crime by the

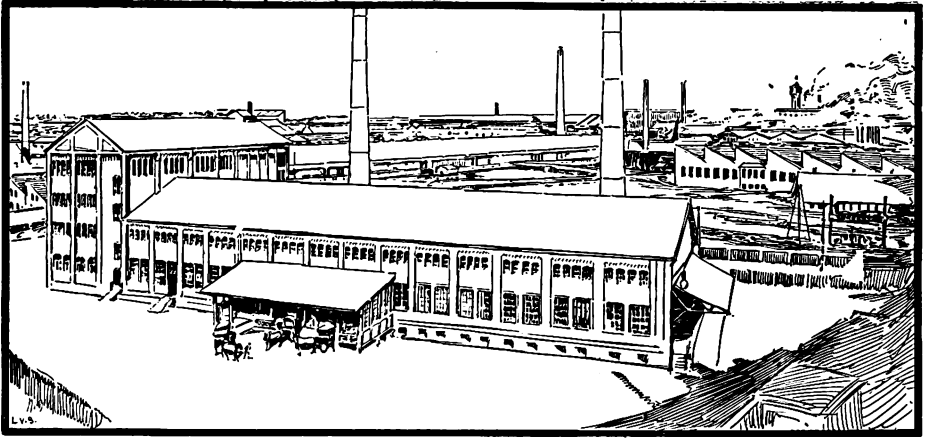
disgrace which we place upon them. Germany recognizes that hard times, a strike or a lockout, the introduction of a new machine, are all conditions over which the workman has no control. It accepts the wandering worker as a part of the fluidity of modern industry, and provides for him. Lodging-houses exist everywhere. By means of them the worker can travel from place to place even though he is destitute. These lodging-houses are called *Herbergen*. Some of them are conducted by the cities, others by private philanthropy. In 1904 there were 462 of these *Herbergen* in Germany, containing 20,000 beds. In 1902 they lodged over two million persons, of whom a large number were paying guests.

In order to secure admission, the worker must be able to produce a passport showing that he has recently been at work. He can pay for his lodging and breakfast (about twelve cents), or he can work for four hours for them. The rule is, "Morning work, afternoon walk." The work is usually of a simple kind, such as chopping wood. Over half of the *Herbergen* have savings bank features, deposits being made by the purchase of stamps. The *Herbergen* are usually conducted in connection with the labor registries, and many of them make provision for permanent pay boarders. They are really cheap workmen's hotels. To such an extent have these institutions been developed in the industrial regions of southern Germany that vagrancy has practically disappeared. So

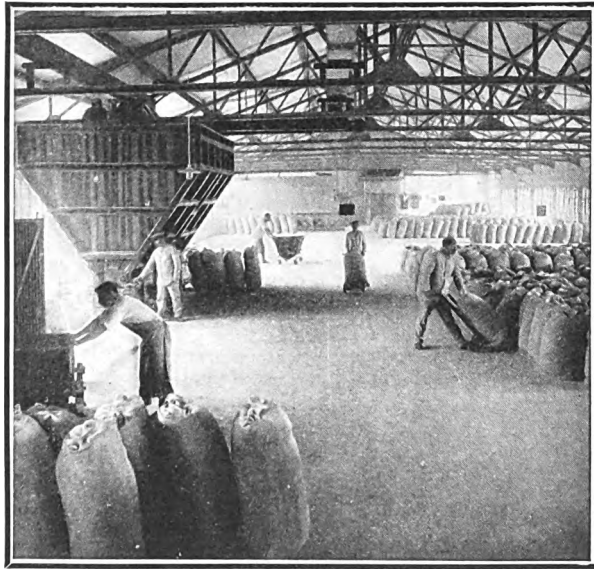


DRAWN BY LEON V. SOLOMON

A STREET OF WORKINGMEN'S HOUSES IN A WORKINGMEN'S COLONY AT ALTENHOF



DRAWN BY LEON V. SCLON



COURTESY OF MUSEUM OF SAFETY AND SANITATION, NEW YORK
EXTERIOR AND INTERIOR OF THE GREAT FLOUR MILL AND
STEAM BAKERY AT THE KRUPP STEEL WORKS, ESSEN

This company supplies its employees with bread at the lowest price

has that class of crimes usually committed by the vagrant class.

LABOR COLONIES

The labor colony is open to those who have lost their grip through drink or who are unable to find work through the registry. There are upwards of forty of them in the Empire. They, too, are partly private, partly public. They are not penal colonies to which men are sent. They are purely voluntary. Men enter and leave when they will. Upwards of

ten thousand persons made use of these colonies in 1908. They are exclusively agricultural, and attract mostly the unskilled worker. They are located on cheap land, which is brought under cultivation by the labor of the men, who produce potatoes, vegetables, and similar products for their own consumption. Probably seventy-five per cent of the men who come to the colonies have been in jail. Yet, strangely enough, there is practically no insubordination and no difficulty in preserving discipline.

The colonies are but bandages—small bandages, it is true—to a great sore. They do not make industrious, self-respecting gentlemen out of petty criminals, nor do they relieve the millions who are in want. But many are led back to sobriety and industry; many regain their self-respect. But, independently of all this, the attention of reformers is being turned to the land, to co-operative colonies, to State aid, as a solution of the worst evils of the vagrant and criminal problem.

EMERGENCY WORK

None of these agencies creates work where no work exists. Neither the labor registry nor the *Herbergen* will open the door of the factory or meet the emergency of industrial depression. They do not create opportunity; they merely attempt to find a hole for the peg, or prevent the man from losing his grip on himself during a period of waiting. Nor do they provide for the mechanic with a family who is brought face to face with starvation by reason of the closing of the factory.

During the recent industrial depression in America the unemployed petitioned the councils of many of our cities to open up relief work. They did not want charity; they wanted work. But the cities were powerless to relieve the situation, or had no inclination to do so. Here, again, Germany recognizes that the worker has a right to work; he has a right to expect something more than a visit from the charity organization society. "Distress work" is very generally provided by the city. It is usually limited to the winter months. The cities disclaim any legal or moral responsibility in the matter. They do not recognize "the right to work." But they provide work in considerable measure, nevertheless. They distribute ordinary work so as to give the maximum of relief. They also require contractors to employ local men. Extraordinary conditions are met to some extent by development work, such as excavations, street-paving, sewer construction, forestry, wood-chopping, and the like. Applicants must be residents of the city and must be heads of families. It is true, the work done is not of the best, and it is more costly than that done through the

regular channels; but it saves the self-respect of the worker, and to some extent recognizes his right to work. In a larger sense, it saves the community from the wreckage of vagabonds, tramps, and semi-criminals who are the inevitable wastage of every period of hard times.

INSURANCE AGAINST ACCIDENT, SICKNESS, AND OLD AGE

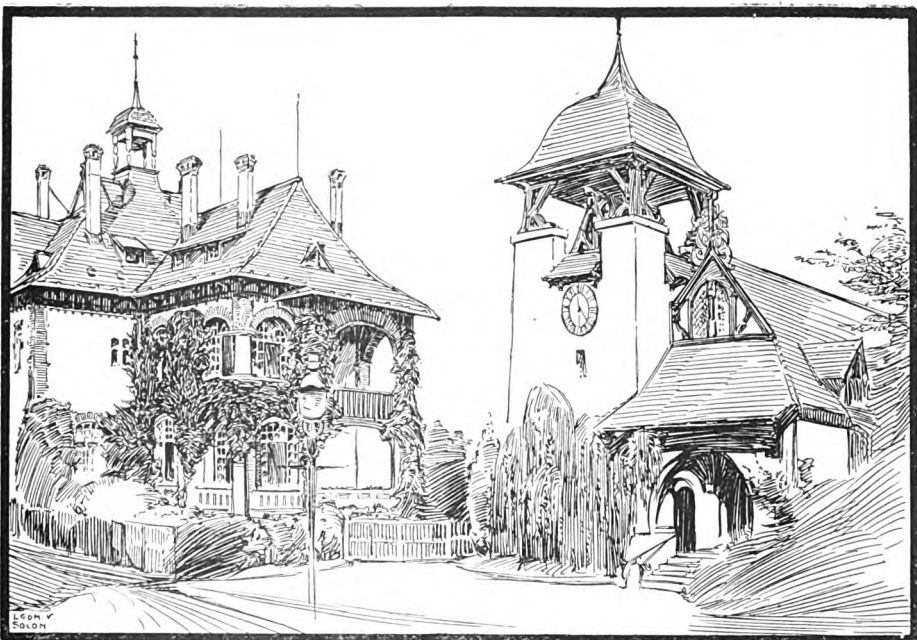
These are some of the means employed to prevent waste, to keep the producing power of the nation at a maximum, and to save the worker himself from the demoralizing influence of irregular employment. They stop far short of a solution of the industrial problem. The Socialists have but little sympathy with these palliatives as in any sense remedial. But from the point of view of the individual the plan is far better than nothing, although as a social programme it fails in this: it does nothing to create more jobs. And there can be no very great improvement in the well-being of the working classes until there are more jobs than men seeking them.

WORKINGMEN'S INSURANCE

One can speak with far more enthusiasm of the protection assured the worker from accident, sickness, and the misery of a workless old age. Even the Socialist admits that these are steps in the right direction.

Insurance against sickness has been provided since 1884. It is provided for those employed in factories, mines, workshops, quarries, transportation, and other industries. Employees of public enterprises are also covered. The provisions of the law are limited to those whose wages are below \$500 a year. The sickness insurance funds are of various kinds. There are local funds provided by the parishes for all of the trades within their limits. Some of the large industries have funds of their own, as do the mine-owners and the contractors in the building trades.

All of the funds provide for free medical attendance and supplies as well as sick pay from the third day of sickness. The benefits amount to one-half of the daily wages received by the beneficiary or the amount upon which his assessment is based. Benefits are continued for not more than twenty-six weeks, after which time, if the illness still continues, the burden



DRAWN BY LEON V. SOLOMON

THE CONVALESCENTS' HOME AND CHAPEL AT ESSEN

Built and conducted by the Krupp Steel Works

is transferred to the Accident Insurance Fund.

The insurance fund is sustained by the workingmen, the employers, and to some extent by the community. Generally the employee pays two-thirds of the premium and the employer one-third, the liability of both being ascertained by periodic reports from the employer as to the number of employees liable to insurance. The premiums are collected by stoppage, the employer deducting the assessments of the employees when wages are paid, which, along with his own share, are then transmitted to the fund.

The administration of the funds is largely in the hands of the working people themselves, through a board chosen by the employers and the employees. General meetings are held at which all persons who contribute to the fund may come, at which meetings the delegates who have charge of the insurance are elected. About 12,000,000 persons are insured against sickness in the Empire.

A second insurance fund is provided against accident. The provisions of the law cover substantially the same classes as the sickness insurance, and the method

of administration is substantially the same. The employer is bound to provide insurance against accident, as in the case of sickness. Upon opening a factory he automatically becomes a member of the trade association covering his business, and is bound to contribute to the insurance fund. This fund is managed by the executive board of the trades, which has power to classify trades and fix the danger schedule. But, better than this, the board has power to enforce rules and appliances for the prevention of accident. If a member refuses to abide by the ruling of the board, he may be fined for his neglect, or his danger rating is increased.

By this means the employers are stimulated to an interest in safety devices, while the special knowledge on the part of the individual trade association leads to a better administration of the rules than would be possible on the part of the State. In all of these matters the employees are consulted. They are also allowed representation on the executive board.

Benefits under the accident insurance law are not left to judicial inquiry. The employee is not put to the expense and delay of a long litigation. Even though

the employee is negligent, he is entitled to compensation, unless there should be evidence that he intentionally brought the accident upon himself. Here, as in sickness, the cost of human wreckage in industry is shifted in part on to the cost of production. It is passed on to the community where it belongs.

The amount of the compensation paid depends upon the wages of the employee and the extent of the injury. If the accident wholly incapacitates the worker, he receives a full pension, which amounts to two-thirds of his yearly wage. If he is still able to work, the pension is adjusted to his earning ability. In case of accident resulting in death, an immediate payment of about one-sixth of the yearly wage is paid. In addition to this, the widow and dependent children are pensioned, the widow until her death or remarriage and the dependent children up to their fifteenth year. In this event the annual pension does not exceed sixty per cent of the annual wage.

Not only is the German workman thus insured against sickness, which marks the beginning of much of the poverty of our cities, as well as against the accidents of industrial establishments, which fill the hospitals with the bulk of their patients, but practically all German workmen are insured against old age. Those whose earnings exceed \$500 are not covered by old age insurance, nor are the higher class of employees and servants. The administration of this branch is carried on by insurance societies, which cover certain sections, or by the State at large. All of them are under the supervision of the State and are controlled by the employers and the employees. The old age funds are supplied by the employers and the employees, who contribute in equal shares to the fund. To this the Empire adds \$12.50 towards every pension.

The amount of the benefit received, it

is true, is not very large. It is not sufficient in itself to support the recipient. It amounts to from \$27.50 to \$60 a year, according to the wages enjoyed or the premiums paid by the beneficiary.

The success of these insurance schemes is seen by the number of members enrolled. There were 18,000,000 insured against accident in 1903 and 13,500,000 against old age. The total expenditures of the various funds amounted to over \$100,000,000, while the funds accumulated as a reserve exceeded \$350,000,000.

Aside from the positive accomplishments of the German Empire in this line of social reform, one is impressed with the seriousness with which the cities as well as the nation are considering the whole

question. There are frequent conferences attended by representatives from the Empire and the various States, from the cities, the universities and the philanthropic societies. There is nothing hit or miss about it. The best thought of the university and the most energetic of city officials are constantly studying ways and means for the relief of the numerous problems which arise in connection with unemployment, with the hazards of industry, with the poor and the destitute members of the community. Poverty has not been abolished in Germany. Nor has the housing question been solved. Industrial depression takes its tribute there just as it does with us. But the impressive thing about it all is that the nation views these questions in something of the same light that it does the building of Dreadnoughts, of railways, of canals, the adjustment of taxes, and the building of cities.

Germany more than any other country in Europe has entered on a comprehensive programme of human salvage. She is devoting her thought and her energy to the making of people as well as of things.



DRAWN BY LEON V. SOLON

THE HOUSES FOR WIDOWS AND WIDOWERS

Conducted by the Krupp Steel Works at Altenhof